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Canada. Parliament.  
House of Commons. Select  
Standing Committee on  
Public Accounts, 1909/10.  
Evidence taken before  
the Public Accounts  
Committee during the  
Session 1909-10.

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09/10  
EVIDENCE

TAKEN BEFORE THE

PUBLIC ACCOUNTS COMMITTEE

DURING THE

SESSION 1909-10.

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910



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# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING A PAYMENT OF

### \$5,000 TO T. O. MURRAY

IN CONNECTION WITH PURCHASE OF

### SAWDUST WHARF, RICHIBUCTO, N.B.

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*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910



HOUSE OF COMMONS,  
COMMITTEE ROOM No. 32,  
3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

SIXTEENTH REPORT.

Your committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto Wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging at Gaspereau River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 re Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. Warburton,  
*Chairman.*





## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

Wednesday, December 15, 1909.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the chairman, Mr. Warburton, presiding.

The committee proceeded to the consideration of a payment of \$5,000 to Thos. O. Murray, in connection with purchase of sawdust wharf at Richibucto, N.B., as set out at Page V—188, Report of the Auditor General for the fiscal year ending 31st March, 1909.

THOS. O. MURRAY, Richibucto, called, sworn and examined:

*By Mr. Crocket:*

Q. Where do you reside, Mr. Murray?—A. Richibucto, N.B.

Q. In the county of Kent, N.B.?—A. Yes.

Q. What is your occupation?—A. Manager of the Kent Northern Railway at the present time.

Q. How long have you filled that position?—A. Six years.

Q. Do you hold any position in the Liberal party organization in the county of Kent?—A. No, sir.

Q. Are you not one of the party managers, one of the party campaign managers there?—A. Not that I know of.

Q. Did you not take a very active part in the last federal election, and act as one of the party managers in the county?—A. I do not think I did, no.

Q. Will you swear you did not? Will you say you did not?—A. Most certainly I have taken an active part, to a certain extent, in politics.

Q. In the organization of the party and in the conduct and management of the campaign?—A. No, I have nothing to do with the organization.

Q. Not in conjunction with Mr. Robertson, Mr. George W. Robertson?—A. I have nothing at all to do with the organization.

Q. You say that?—A. Yes.

Q. I notice that you sold a property to the government at Richibucto which is known as the sawdust wharf, for \$5,000?—A. Yes.

Q. Just see if this is the cheque which represents the purchase price (cheque produced and handed to witness)?—A. Yes, sir, that is it.

Q. That is dated on the 6th of October, 1908, and is payable to the order of Thos. O. Murray and W. D. Carter, agent, Minister of Justice. Just examine the endorsement there and see if you can tell when that cheque was cashed? It seems to have been received here in Ottawa at the Royal Bank on October 12?—A. I do not think the date is given there.

Q. You will find the Royal Bank stamp there on the back?—A. Yes, but I do not think there is any date of payment.

Q. There is a date on one of the stamps there?—A. Yes, that is the date at Ottawa.

Q. I mean the one at Ottawa?—A. That is on October 12.

Q. Where did you have that cheque cashed?—A. At the Royal Bank of Canada at Rexton, N.B.

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Q. Was Mr. Carter with you at the time?—A. No, sir.  
(Cheque marked as 'Exhibit 1,' as follows.)

## Exhibit 1.

'Finance Department Canada—No. 16593.

'Ottawa 6th October, 1908, \$5,000, to the Bank of Montreal, Ottawa. Pay to the order of Thos. O. Murray & W. D. Carter, Agent Minister of Justice, the sum of Five thousand <sup>xx</sup>/<sub>100</sub> dollars. Paid October 18.  
Countersigned

E. D. SUTHERLAND,  
*for Auditor General.*

J. R. FORSYTH,  
*p. Deputy Minister of Finance.*

(Endorsed on back of cheque.)

'Thos. O. Murray.'

'Wm. D. Carter.'

(Stamp.)

'Pay to the order of Any Bank or Banker, The Royal Bank of Canada, Rexton,  
N.B.

T. G. A. PARKES,  
*Manager.'*

(Stamp.)

'Royal Bank of Canada, Ottawa, October 12, 1908. Receiving Teller.'

Q. Is that in payment of the property transferred from yourself and wife to the government?—A. Yes.

Q. Just see when that deed was registered. (Document handed to witness.) Look at the endorsement of registration at the Registry Office on the back; you will find it on the outside cover, Mr. Murray?—A. Second day of November.

Q. And the deed is dated when? You will find that on the inside?—A. On the 24th day of September.

Mr. CARVELL.—The acknowledgment would show when the deed was executed.

*By Mr. Crocket:*

Q. See if the deed is acknowledged on the same day as it is dated—the acknowledgment is taken on the same day, the 24th of September, is it not, before Mr. Carter?—A. Yes.

Q. But the deed was not registered until the 2nd of November, is that right, Mr. Murray?—A. I could not say, not outside of the document.

Q. Do you remember the day of the general election, the 26th of October?—A. I do, yes.

Q. Now, when did you become possessed of this property?—A. Somewhere about the 20th of May, I think.

Q. Somewhere about the 20th of May?—A. Yes.

Q. Are you not able to fix the date?—A. Well, the only thing I have, the only record, is I gave a mortgage for three days, and I see the mortgage is dated on the 20th of May, that is all the reference I have with regard to it, and that mortgage was signed on the same day I got possession of the property.

*By Mr. Reid (Grenville):*

Q. That is the same year in which the property was sold?—A. Yes.

*By Mr. Crocket:*

Q. There (handing document to witness) is a copy of your deed you will see that it is certified by the Registrar of the county, and that is dated the 19th day of May?—A. That is about it.



## APPENDIX No. 2

Q. From whom did you buy the property?—A. Mr. Richard O'Leary.

Q. Is that Richard O'Leary?—A. Yes.

Q. Of Richibucto?—A. Yes.

Q. How much did you pay Mr. O'Leary for it?—A. \$700.

Q. This deed states the price as \$1,000?—A. Yes.

Q. As a matter of fact you paid him only \$700 for the property?—A. That is correct.

Q. And you say that Mr. O'Leary took a mortgage for three days?—A. Yes, sir.

Q. Why was that?—A. I hadn't the money just at the time to pay him. I told him I would pay him in three days' time and asked for an option for a few days, or whatever he thought was a business way, and he said he would take a mortgage.

Q. You got the deed on the 19th of May without paying him one cent for it, because you had no money?—A. Not at all, I gave a mortgage at that time for security.

Q. Then you got the deed on the 19th without paying any money.

Question objected to by Mr. Carvell.

*By Mr. Crocket:*

Q. I want to understand the matter clearly. Is that the fact, that you got the deed executed by Mr. O'Leary on the 19th of May without paying a cent for it because you had no money to pay him?—A. With the understanding on that date that he was to take this mortgage.

Q. And, as a matter of fact, you did give him a mortgage, did you not?—A. I did.

Q. And his idea was that inasmuch as you had no money to pay for this property—A. I did not tell him I had no money to pay for it. I just simply made the statement that I would pay him in three days' time.

Q. Did Mr. O'Leary say—did he state that he wanted that mortgage so that he could leave it in the Record Office for his protection in case the money should not be paid?—A. No, he did not.

Q. You say he did not?—A. No, I was perfectly willing to give him a mortgage for it, it was not his suggestion at all.

Q. And you did give him a mortgage?—A. Yes, I got the deed sometime about 9 or 10 in the evening and I signed the mortgage before train time the next morning, which I was perfectly willing to do, it was not drawn out before that, I had no hesitation whatever in giving him the mortgage.

Q. Do you remember being in Ottawa a few days before this transaction was closed with Mr. O'Leary?—A. I was in Ottawa, but I do not know just what time, it was sometime during that spring, but I do not know whether it was a week or a month before, I do not just remember when it was.

Q. Do you not know you were in Ottawa a week or two before, in the month of May?—A. I was here before, but I do not know just how long it was before that.

Q. Perhaps I will be able to help you. You were in Ottawa on the 7th of May. Have you any memorandum by which you can fix that date?—A. No, sir, I have not.

Q. And when I state that you were here in Ottawa on the 7th of May—

Mr. McKENZIE.—Is counsel giving evidence?

The CHAIRMAN.—You cannot do that, Mr. Crocket, of course you can ask him about it.

*By Mr. Crocket:*

Q. Are you unable to state that you were in Ottawa in the month of May?—A. I am not, I was here in the spring sometime, but I do not know just whether it was

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in April or May, it was somewhere around then, but I do not know when it was; I have no record and I do not remember the date, but I was here all right.

Q. It was before you bought the property from Mr. Murray?—A. Mr. O'Leary.

Q. From Mr. O'Leary, I mean. Was George W. Robertson of Richibucto with you?—A. He was in Ottawa at that time.

Q. Did you see the Minister of Public Works?—A. No, sir.

Q. Will you say that you did not see the Minister of Public Works?

Mr. MCKENZIE.—He has said so.

*By Mr. Crocket:*

Q. I wish to be careful about that?—A. Did I see the Minister of Public Works in Ottawa?

Q. Yes?—A. Certainly I saw him while in Ottawa.

Q. While you were in Ottawa with G. W. Robertson?—A. Yes.

Q. You saw the Minister of Public Works together. Now, do you remember just before leaving for Ottawa having a conversation with Mr. O'Leary in reference to purchasing a sewer right through this sawdust wharf property?—A. No, sir, I never had any conversation.

Q. With Mr. O'Leary?—A. No, sir.

Q. Do you say that positively?—A. I say that positively, yes.

Q. About the property at all?—A. About the property at all.

Q. Before you came to Ottawa?—A. Before I came to Ottawa.

Q. You had no conversation of any kind?—A. No, sir.

Q. Then you do not remember telephoning to Mr. O'Leary just before leaving for Ottawa, asking if an offer which he had made to sell a sewer right through the property, that is to run a sewer from the public building down through this property to the river still held good?—A. No, sir, I do not recollect that at all.

Q. You do not recollect that?—A. Not at all.

Q. Will you swear that you do not?—A. I will swear to the best of my knowledge that I had no conversation before that date or near it.

Q. Will you swear that you never had a conversation with him at any time during that spring?—A. I had a conversation at the time I bought the property.

Q. I am speaking of before the purchase?—A. Not to my knowledge at any time.

Q. I understand that you will not swear to that absolutely, because Mr. O'Leary is to be examined and I want that straight?—A. I know.

Q. Will you swear to that absolutely, that you had no conversation about buying a sewer right for the government through this property for \$100?—A. Not to my knowledge.

Q. Not to your knowledge?—A. No, I cannot recollect anything about it.

Q. You say that you do not recollect having that conversation?—A. I do not recollect having a conversation outside the time that I bought the wharf, that is what I mean.

Q. Immediately upon returning from Ottawa you went to Mr. O'Leary and made the proposition for the purchase of this property?—A. No, sir.

Q. Well you have told us you bought it?—A. That is right, I admit I bought it.

Q. And you say that after your return from Ottawa you did not approach Mr. O'Leary and propose to buy this property outright?—A. No, sir.

Q. What did you do?—A. I did not approach him to buy any property.

Q. Did you speak to him about it?—A. I did not go to Mr. O'Leary to buy property.

Q. You did not go to Mr. O'Leary to buy property?—A. No.

Q. Do you say that you and Mr. O'Leary did not talk together about the sale of the property to you?—A. That is right, we did that, but I did not go to him.

Q. Oh, you did not go to him?—A. No.

Q. Did you meet him?—A. What I mean is that I did not go to Mr. O'Leary's office to buy this property, that is what I mean.

## APPENDIX No. 2

Q. I am not asking you about going to his office to buy the property, but did you not approach Mr. O'Leary on your return from Ottawa to buy the property outright? A. No, I did not.

Q. Did you make a proposition to Mr. O'Leary after returning from Ottawa about buying this property?—A. Did I—I do not just quite understand you, I do not know just what you mean.

Q. You do not understand me when I say that?—A. No, I do not.

Q. You have already told us that you bought this property from Mr. O'Leary for \$700?—A. That is right, that is correct.

Q. Did you make an offer to Mr. O'Leary at that sum?—A. No, I did not.

Q. You did not?—A. No, Mr. O'Leary made that offer.

Q. Mr. O'Leary made the offer?—A. Yes.

Q. Did you ask Mr. O'Leary what he would sell it for?—A. Did I?—No.

Q. How did he come to make the offer?

Mr. CARVELL.—Tell the story, tell the whole story?—A. Well, I will tell you how it originated.

*By Mr. Crocket:*

Q. Just answer my question in the meantime. On your return from Ottawa I want to know what took place between you and Mr. O'Leary.

Mr. CARVELL.—I want the witness to have an opportunity to tell what took place between Mr. O'Leary and himself.

The CHAIRMAN.—That is what Mr. Crocket is asking.

*By Mr. Crocket:*

Q. Now, Mr. Murray, just state what took place between you and Mr. O'Leary on your return from Ottawa in regard to the sale of this property by him to you?—A. Well, the way it originated was, I went into Mr. O'Leary's office one afternoon and we got talking about one thing and another in general and finally the conversation led up to the lighting of the public building—

Q. At Richibucto, that is the Post Office building?—A. Yes, and the way it started was my father is the caretaker of that building and Mr. O'Leary thought he was not getting revenue enough from it, he furnishes the lighting, and he had spoken to my father about it at different times—

Q. Mr. O'Leary is the owner of the electric light plant?—A. Yes, and he had spoken to my father about burning more light, and my father told him he would not burn more than was necessary, he would not burn it outside of office hours and that he was acting in accordance with the orders of the Chief Architect. Mr. O'Leary asked me to use my influence with my father to burn more light—

Mr. CROCKET.—The witness has a clear recollection with regard to something that has no reference to this inquiry at all.

WITNESS.—You asked me the question.

The CHAIRMAN.—Go on, Mr. Murray.

A. (Continued). And he said that he would give me a shave on my own electric light account for my own private building. I told him, no, I would not do a thing like that on my father who was an old man now. So with that he led on to the public building sewer, and he asked me to go in with him on this and he would halve up on that.

Q. What is that?—A. He asked me to go in with him on this public building sewer right of way and I said: 'What would you charge for it?' And as near as I can recollect he said either \$400 or \$600. I said: 'That is an enormous charge, and I



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do not believe they would pay it. If you ask \$400 or \$500, for a right of way, how much would you take for the whole property? He replied, '\$700.' And I said, 'You would?' He said, 'Yes.' And then I said: 'It is sold.' With that we went out and got the land surveyed off and had an attorney draw the deed.

Q. And that is all that took place between you with regard to the sale of that property?—A. Yes.

Q. Did you not know that the price Mr. O'Leary asked for the sewer right was \$100?—A. No, sir.

Q. Will you say that is not a fact?—A. I will, as far as I am concerned.

Q. You know, do you not, that he had sold a sewer right to the government for \$100; that is a right to lay a sewer from the public building through this property to the river two or three years before? You knew that did you not?—A. I knew that, yes.

Q. You knew that \$100 was what he asked and what he got?—A. I do not know what he asked, that is what he got or something like that.

Q. You have no doubt as to that?—A. No, I have not, I could not say positively one way or the other.

Q. Now, having that fact in your mind do you still say that Mr. O'Leary asked \$400 or \$500 for the right to build a sewer through this property?—A. I have given my evidence.

Q. And you still say that?—A. Yes.

Q. And immediately afterwards he offered to sell the whole property to you for \$700?—A. Yes.

Q. For \$300 more than he asked for the sewer right?—A. Yes.

Q. And the sewer had been constructed through that property only a short distance away?—A. Yes.

Q. And that is what you say is a fact?—A. That is a fact.

Q. You accepted this offer of \$700?—A. Yes.

Q. And you had not the money to pay for it?—A. I did not say that.

Q. You did not pay for it?—A. No.

Q. And did you not say that it was because you had not the money to pay for it that you gave the mortgage?—A. I did not.

Q. Did you not say that this morning?—A. I said that I told him I would pay it in three days' time.

Q. But at the time you had not the money?—A. Excuse me, I did not say I hadn't the money. I do not just remember.

Q. As a matter of fact you had not the money?—A. I did not say I hadn't the money.

Q. I ask you now, had you the money at the time this deed was executed?—A. I do not just remember.

Q. You do not remember whether you had or not? Did you not say to Mr. O'Leary—did you not ask him to execute the deed and say to him that it was necessary he should complete it and that you should have the deed so that you could take it to St. John in order to get the money?—A. No, sir, I did not.

Q. Are you positive of that?—A. Yes.

Q. After the execution of the deed you went to St. John, did you not?—A. I went the next morning.

Q. You went to St. John the next morning?—A. Yes.

Q. You got the money in St. John, did you not?—A. I did, yes.

Q. From whom did you get it?—A. From the bank.

Q. On your own cheque?—A. No, sir.

Q. On whose cheque was it?—A. On nobody's cheque.

Q. On whose order did you get it?—A. It was on nobody's order at all.

Q. Was it your own money?—A. No, it was on a note endorsed by my friend.

Q. Who was your friend?—A. George W. Robertson.

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Q. That is the gentleman who saw the Minister of Public Works here with you in Ottawa?—A. He was in company with me, yes, sir.

Q. Did you see George W. McAvity in St. John?—A. In reference to what?

Q. In reference to the purchase of this wharf?—A. I had no conversation with George McAvity.

Q. You had no conversation at all with George McAvity in St. John at that time?—A. No, sir.

Q. You got the money on this note endorsed by Robertson?—A. Yes.

Q. Mr. Robertson was a resident of Richibucto?—A. Yes.

Q. And did he go down to St. John with you?—A. He did, yes.

Q. And you went to St. John to negotiate this note?—A. No, I did not.

Q. You did not go for that purpose?—A. No, sir.

Q. Did you negotiate the note in St. John?—A. In St. John, yes.

Q. Both of you were resident in Richibucto?—A. Yes.

Q. And there is a bank there?—A. Yes.

Q. When did you return from St. John?—A. The third day, I think.

Q. How long were you away?—A. I think it was the third day. I was simply at St. John one whole day.

Q. You went the day after you got the deed, which would be the 20th?—A. Yes.

Q. And you returned on the 23rd?—A. Yes, three days time from the day I left home.

Q. Did you take the deed with you to St. John?—I think I did, yes.

Q. Did you deposit it in the bank?—A. No, sir.

Q. Did you show it to the bank?—A. No, sir.

Q. Did you show it to anybody in St. John?—A. I did not.

Q. What did you take it down there for?—A. What did I take it for?

Q. Yes.—A. I do not know that I took it for anything in particular.

Q. But you did take it with you?—A. I did take it, yes.

Q. Did you not take that deed for the purpose of raising the money?—A. I did not.

Q. You say that absolutely?—A. Yes.

Q. And that you did not use it in connection with negotiating for the money?—A. No, I did not.

Q. Have you that note?—A. I have not.

Q. What became of it?—A. I do not know; when it fell due it was paid and that is all there)is about it.

Q. It was paid?—A. Yes.

Q. And you got it back, did you?—A. Sure.

Q. Did you destroy that note?—A. I think so, I never saw it since.

Q. Did you destroy it immediately?—A. I did not say I destroyed it immediately. I probably carried it in my pocket with other papers until it got worn out, and then threw it in the stove.

Q. Was there any other name on the note besides yours and Robertson's?—A. No.

Q. You are sure of that?—A. Yes.

Q. What was the amount of the note?—A. The amount of the note was \$1,000.

Q. And did you get the \$1,000?—A. Yes, sir.

Q. It came into your hands?—A. Yes, sir.

Q. Did Mr. Robertson have anything to do with it?—A. No, sir.

Q. Having got the money you returned to Richibucto, I understood you to say on the 23rd of May? Did you pay Mr. O'Leary then?—A. Yes.

Q. How much did you pay him then?—A. I think I gave him that day, \$600, if I remember, and I paid him the other \$100, a little later on.

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Q. Did Mr. O'Leary want the full amount then?—A. I do not think he did exactly, not if I remember right.

Q. You say you do not think he did?—A. I do not think Mr. O'Leary exacted it, no.

Q. Did you have any understanding with regard to the balance, \$100?—A. Yes, I made the remark at the time that I would pay him in a short time.

Q. Did you not say to him, and was it not the understanding, that you would pay him the balance when you sold the property to the government?—A. No, sir.

Q. Or when you disposed of the property?—A. No, sir.

Q. There was nothing of that kind understood, you say that positively?—A. Positively, yes.

Q. And you said you would pay him in a short time?—A. Yes, probably in a month's time, I might have said, somewhere about a month.

Q. As a matter of fact you were owing Mr. O'Leary other accounts, were you not?—A. Yes, I had a personal account there.

Q. Did George W. Robertson see this deed?—A. Yes, sir, I showed it to him on the train.

Q. You went to St. John together and returned together?—A. Yes.

Q. And you tell me that neither you nor Robertson saw anybody at St. John in connection with it?—A. I did not say that, I said I did not; I did not keep tab on Robertson all day to see where he was and who he was talking to.

Q. Did you see anybody at St. John in connection with the negotiation of this paper except at the bank?—A. No.

Q. What bank was it?—A. I think it was the Bank of Nova Scotia.

Q. I want you to be positive on that.—A. I think it was the Bank of Nova Scotia.

Q. You say you think it was, have you any doubt?—A. Well, it is quite a time since it occurred; I think it was the Bank of Nova Scotia, not the Royal Bank.

Q. Did you see the manager of the bank?—A. Yes.

Q. Who was he?—A. I think his name is Blair, Thomas Blair.

Q. He is the manager of the Royal Bank?—A. Well, I think it was Blair.

Q. Have you any doubt it was Mr. Blair?—A. I am not positive.

Q. Were Robertson and you together when it was arranged?—A. Yes.

Q. You are not able to say what Robertson did in connection with getting the credit for the discount on this note?—A. No, I did not know anything about that. I simply asked him to endorse the note, which he did, as he has been accustomed to for years past in different transactions; if I wanted \$1,000 we endorsed one another's notes.

Q. Who prepared this deed for you?—A. Mr. James.

Q. Mr. H. H. James, barrister, Richibucto?—A. Yes.

Q. That was prepared the same day you struck the bargain with Mr. O'Leary?—A. The same afternoon.

Q. And that was the same afternoon that you struck the bargain with Mr. O'Leary?—A. That is right.

Q. You went away, got the deed prepared, and brought it back to him for execution, is that right?—A. I did.

Q. Yes.—A. Well, I would not be positive.

Q. You arranged with Mr. James to prepare the deed?—A. I am not positive whether it was myself or Mr. O'Leary instructed him to draw the deed, I do not just remember that.

Q. You do not remember that?—A. No, I am not positive about that.

Q. Don't you know it was yourself did that?—A. It may have been, but I do not know it.

Q. You do not know it?—A. It may have been.



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Q. And that you instructed him to place the amount in the deed at \$1,000?—A. Perhaps I did.

Q. When did you pay the balance of \$100?—A. I cannot remember.

Q. Eh?—A. I cannot say positively.

Q. You have no memorandum of it?—A. No, I have not.

Q. Now the deed from Mr. O'Leary to yourself was registered on the 23rd September, as shown by the certified copy there (document handed to witness). In the margin there, do you remember that?—A. September 23rd.

Q. That was just before you executed the deed to the government, do you remember?—A. No doubt, the date is there, I see it there, the date is correct.

Q. Yes, 23rd September. Now, Mr. Murray, the day that you made this bargain with Mr. O'Leary and got the deed was not Mr. Geoffrey Stead, the resident engineer of the Department of Public Works in Richibucto?—A. Was he in Richibucto?

Q. Yes?—A. Not to my knowledge.

Q. Not to your knowledge?—A. No, sir.

Q. Do you say that you do not remember Mr. Stead being in Richibucto that day?—A. The day that I bought the property?

Q. The day you bought the property?—A. I say positively I do not.

Q. Will you say he was not there?—A. No, I do not know that, I do not remember, he may, or he may not have been there.

Q. Do you not remember conferring with Mr. Stead on the very day you got the property?—A. No, sir, I do not.

Q. Do you remember Mr. Stead staking off the property?—A. The day I got it?

Q. Yes.—A. No, sir, and more than that I do not believe he was in the town that day.

Q. Do you remember his being there that week or within a day or two of that?—A. The only time I remember him being there is when he made the survey for the government.

Q. And that is the only time you remember his being there?—A. Yes, Mr. O'Leary and I were there.

Q. That (handing newspaper to witness) is a paper published at Richibucto, is it not?—A. Yes.

Q. Do you see Mr. Geoffrey Stead's presence recorded there on Tuesday, which was the 19th?—A. Yes, he might have been there on other business but not that I know of.

Q. You know he was there?—A. No, I do not.

Q. Having seen that record in the newspaper have you any doubt but he was there?—A. No, I have not, but he may have been there on other business; I did not know anything about it.

Q. And you do not know of Mr. Stead coming to Mr. James the very day you got the deed and suggesting that changes be made in the description?—A. That is on the day I bought the property and got the deed?

Q. Yes?—A. No, sir, I do not.

Q. You do not know of that?—A. No.

Q. Do you swear absolutely that you had no conversation with Geoffrey Stead, the engineer of the department on the day you got that property from O'Leary?—A. Not in any shape or form to my knowledge.

Q. Or on any other day thereabouts?—A. Not until such time as he made the survey for the government; he made some reference then about the property but I do not remember just what it was, but it was not the day I bought the property that I had the conversation with him, because, to my knowledge, I do not think he was ever in town that day.

Q. Have you any doubt that is a correct report in the paper that he was in town, 'Mr. Geoffrey Stead, C.E., of Chatham, was in town on Tuesday,' that is in the *Richibucto Review* of May 21, 1908.—A. No, I haven't any doubt, certainly not.



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Q. You made an offer to Mr. Stead, did you not to sell this property to the government?—A. No, I made no offer to Mr. Stead.

Q. You say that you made no offer to Mr. Stead to sell this wharf to the government? You say that, do you?—A. No, I did not make any offer to Mr. Stead.

Q. Are you positive about that?—A. Yes, I am.

Q. Just look at that document, Mr. McMurray (document handed to witness), is that your signature?—A. Yes, that is my signature, but that is headed to the Department of Public Works.

Q. But you swore positively that you never made any offer to Mr. Stead at all.—A. I did not remember making the offer to him at all, I thought it was the Department of Public Works.

Q. This is the offer you made—

‘Mr. J. STEAD,

‘Resident Engineer,

‘Chatham.

‘DEAR SIR.—I hereby agree to sell to the Department of Public Works the land at Richibucto lying on Water street between the Municipal wharf and the Savoie lot including what is known as the sawdust wharf with the water right and frontage of the said lot and wharf for the sum of \$5,000.

‘Yours, &c.,

‘THOMAS MURRAY.

‘RICHIBUCTO, June 4, 1908.’

—A. Yes.

Q. Now, before you wrote that letter to Mr. Stead had you ever talked to him about this property?—A. Well, I think to the best of my knowledge, the only conversation I had was the day he was making the survey of it for the government.

Q. Do you think to the best of your knowledge that the only conversation you had with him was the day he made the survey of it?—A. Yes.

Q. Well, then, did he make the survey before the 4th of June?—A. He made it before I made him the offer.

Q. He made the survey before you made the offer?—A. Yes.

Q. That was before the 4th of June?—A. It must have been by that.

Q. So that you had talked to Mr. Stead before you addressed that offer to him?—A. Well, in regard to the deed, the only thing I remember, he said something about the deed, that it was not properly drawn, I remember that, and that he was going to see Mr. James about getting it altered, it did not read altogether right, he said.

Q. But did you have any talk with him as to what you should get from the government for the property?—A. I do not remember whether I did or not.

Q. You do not remember whether you did or not?—A. No, positively.

Q. Was that the first and only offer you ever made?—A. That I made to the government?

Q. Yes!—A. I think it was, but I understood I had made it to the Public Works Department. However, that is correct the way it is there.

*By Mr. Carvell:*

Q. That is to the Public Works Department.—A. Well, I mean that it is addressed to Mr. Stead. That is the way; I got the impression that it was to the Public Works Department, but I sent it to him. I knew I had made an offer but I did not know I had sent it to the engineer.

*By Mr. Crocket:*

Q. Did you have any negotiations with anybody else than Mr. Stead with reference to the purchase price at which you should sell to the government as indicated by this offer of the 4th of June?—A. Not that I know of.

Q. Did you ever ask any more than \$5,000?—A. No more than \$5,000, no, sir.

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Q. You never asked any more than \$5,000. Did you receive a reply from Mr. Stead in reference to that?—A. I cannot say whether I did or did not.

Q. You cannot say?—A. No.

Q. Whether you did or not?—A. No, I cannot say as to that.

Q. Did Mr. Stead advise and consult with you when he was surveying the property and valuing it?—A. In which way?

Q. Did he consult with you when he was there surveying the property?—A. The only thing he said was in reference to the deed, certain things about it he said he did not think were properly drawn. That is the only thing he said to me.

Q. There was nothing said about the valuation of property?—A. Not to my knowledge.

Q. Did he ever ask you how much you paid for it?—A. Mr. Stead? No, sir.

Q. You are sure of that?—A. I am almost positive.

Q. Will you swear he did not? You do not know?—A. I do not know whether he did or not.

Q. Will you swear you did not tell him?—A. No, I cannot swear positively on either side, I might and I might not have done so.

Q. You are not sure about that, and therefore you do not say whether he did or not; you do not deny it?—A. No.

Q. Did you have any further communication with Mr. Stead after this offer was received by him as to how this matter was getting along?—A. Not that I know of.

Q. Will you swear you did not?—A. No, I will not swear to either one thing or the other.

Q. You called him up by telephone a good many times, did you not?—A. I do not remember.

Q. At Chatham?—A. I do not remember.

Q. How is your memory, it is pretty good ordinarily?—A. Oh, fairly good, I guess.

Q. What is that?—A. Fairly good, I guess, I have no recollection of these things and cannot swear to these things offhand.

Q. You tell me you do not remember on any single occasion talking to Mr. Stead over the telephone?—A. No, I did not.

Q. You have no recollection of it?—A. No.

Q. I think you said you had no communication with any other officer of the department or anybody else than Mr. Stead?—A. No, sir.

Q. You say that?—A. I say that, yes.

Q. From the beginning of this transaction until the sale to the government was completed?—A. Yes.

Q. You are positive about that?—A. Not to my knowledge, I never had any dealings with anybody.

Q. Nor any communication with them? Mr. Murray, just look at that telegram, do you remember sending that telegram?—A. No, sir, I do not remember.

Q. You say you do not remember sending that telegram?—A. No, sir.

Q. Do you remember getting any reply to the telegram from Ottawa here?—A. No, I do not remember.

Q. Will you say you did not send it?—A. I might have sent it.

Q. Have you any doubt you did?—A. No, I have not, my name is to it but I do not remember sending it.

Q. This telegram is as follows :—

‘A. VALIQUET,

KENT JUNCTION, N.B., September 18.

‘Chief Engineer Public Works,

‘OTTAWA.

‘Please let me know if wharf matter passed Council this matter important to Mr. Leblanc. Please rush it.

‘THOS. MURRAY.’

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You sent that. Now, who is the Mr. Leblanc referred to in that telegram? Is that the member for Kent?—A. Very likely it is.

Q. You have no doubt that it is. He was a candidate in the general election that was then in progress was he not?—A. Yes.

Q. Will you tell me what this means, 'important to Leblanc. Please rush it?'—A. No, I cannot answer that just now.

Q. Now, you have told us, Mr. Murray, that you got this cheque dated on the 6th of October and it was back here and received at the bank in Ottawa on the 12th of October. You got that money at the Royal Bank of Canada at Rexton, N.B.—A. Yes.

Q. Did you retain that money for your own use?—A. Certainly.

Q. \$5,000?—A. Yes.

Q. You say you retained that for your own use?—A. Yes.

Q. Are you positive as to that, Mr. Murray?—A. Am I positive? Yes.

Q. Where did you deposit it?—A. I did not deposit it at all.

Q. You did not deposit it at all?—A. No.

Q. What did you do with it?—A. I took it home and gave it to my wife.

Q. Do you know of her depositing it?—A. No.

Q. Did she deposit it?—A. No.

Q. She has not deposited it. Did George W. Robertson get any of that money?

—A. Did who?

Q. George W. Robertson?—A. Did he get any of it?

Q. Yes?—A. I paid him a bill I owed him out of it.

Q. How much was the bill?—A. I do not remember.

Q. Was it \$2,000 you paid him?—A. I do not remember now; we have so many dealings one way and the other that I cannot recollect.

Q. I thought, you said your wife retained that money?—A. So she did, that is what I said.

Q. But you tell me now that you paid a bill to George W. Robertson and you cannot say whether the bill was \$2,000 or not?—A. No, I cannot say, I have so many dealings with him that I cannot remember.

Q. What was the bill for?—A. I do not remember what it was for now. I have been dealing with him for 10 or 15 years now and it is pretty hard to recollect individual transactions.

Q. Was it \$3,000 you paid him?—A. No, I never owed him that much.

Q. But you are not able to say whether it was \$2,000?—A. No.

Q. And you cannot say what that was for?—A. I can not say off-hand now.

Q. Did W. D. Carter get any slice of this?—A. No, sir.

Q. Are you sure of that? Did you pay him any bill?—A. No sir.

Q. Did Mr. George Jardine get a piece of it?—A. No, sir.

Q. Did you owe him any bill?—A. No, sir.

Q. Was George W. Robertson the only man that shared in this with you?—A. That shared in it?

Q. Yes, shared in this money with you?—A. Well, no, he is not the only man.

Q. Who else?—A. Why the public at large, any man that I owed. If I owed a man anything I paid it, I did not give it to him as a gift.

Q. Did you pay any other \$2,000 bills?—A. No.

Q. George W. Robertson was the treasurer of the election fund down there, was he not?—A. Not to my knowledge.

Q. Was he not one of the party managers?—A. He might have been, but I do not know.

Q. When did you pay the \$2,000 to him?—A. Some time after I got it.

Q. Before the election, did you not?—A. I do not remember.

Q. Will you swear you did not pay him before the election?—A. No, I will not.

Q. You know that you did, do you not?—A. Know what?



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Q. You know that you paid Robertson that money before the election?—A. No, I do not.

Q. You do not?—A. No, I do not because if I did not know about the time I paid him I cannot say. I have no recollection.

Q. How did you pay it?—A. How did I pay it? I paid him money, counted it out to him.

Q. You counted the money out to him?—A. Yes, sir.

Q. You got this money you say from the Royal Bank at Rexton?—A. I did.

Q. In what denomination were the bills, small or large?—A. I do not know, I expect they were \$5 and \$10 bills.

Q. You got \$5,000 in \$5 and \$10 bills?—A. Yes.

Q. And you paid Robertson that large sum of \$2,000 in bills?—A. I did not say what amount, nor I do not remember, I cannot say.

Q. You will not say that it was not \$2,000?—A. I cannot say what amount it was.

Q. Did you pay him the same money that you got out of the bank at Rexton?—A. I did.

Q. The same money?—A. Yes.

Q. That was the same money that you paid to your wife?—A. Yes.

Q. And you got it back from her?—A. Yes, I got it back from her.

Q. Now, Mr. Murray, I am going to ask you this question. Did you not get the money with which you bought this property through George McAvity in St. John?—A. Not to my knowledge, I did not.

Q. Not to your knowledge?—A. No.

Q. Do you know whether Robertson got it from him?—A. I could not say whether he did or not. I have often got \$1,000 at a time in the same manner.

Q. Will you swear that neither you nor Robertson saw Mr. McAvity and arranged this deal in St. John after you had been in Ottawa?—A. I didn't say anything about arranging a deal.

Q. Will you swear that, Mr. Murray?—A. I do not know what Mr. Robertson did I cannot account for Mr. Robertson.

Q. But you say you did not?—A. No.

Q. Have you not told to more than one person in Richibucto that the money came through Mr. McAvity?—A. I do not think I ever did.

Q. Will you swear that you did not?—A. To the best of my knowledge I will.

Q. Now, be careful, to the best of your knowledge?—A. I do not think I ever did, because I could not say a thing like that not knowing it.

Q. But you say you do not know what Robertson did, whether he got it from McAvity or not?—A. I do not know.

Q. Did Mr. Robertson ever tell you how he had worked the negotiation of this note at St. John?—A. I do not remember. I asked him if he would endorse my note for this amount and he told me he would.

Q. And it was Robertson and yourself came to Ottawa and saw the Minister of Public Works?—A. I never saw the Minister of Public Works in regard to this business.

Q. Did you not tell me when you saw him here?—A. Yes, I saw him, but not on this business that you are talking about.

Q. What is this wharf composed of?—A. Gravel and cribwork and sawdust.

Q. It is known as the Sawdust wharf, is it not?—A. Locally it is, yes.

Q. It is the site of an old mill property?—A. Yes, there was an old mill there and the wharf was placed where the vessels used to put their ballast in the olden times.

Q. This property is in the same condition to-day as it was when you bought it from Mr. O'Leary in 1908?—A. With the exception of the government using it as a sewer, that is the only difference.



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Q. The only difference is that the government have dug a sewer trench through it?—A. That is the only difference.

Q. It is in the same condition as it was when you sold it to the government?—A. Yes.

Q. The cribwork has been completely washed away, has it not? The outer facing of the wharf is completely washed away?—A. Yes.

Q. And is not the wharf composed chiefly of rotten sawdust?—A. The inner part of it may be, but the outer part is composed of ballast.

Q. What ballast?—A. Pebble ballast, that is along the face.

Q. What you call the outer part is simply the beach and the rest has been washed away?—A. Along the deep water terminus.

Q. You may step on any part and it will give under a man's weight, will it not?—A. The inside part, yes.

Q. And it is unsafe to put a horse on it, is not that true, Mr. Murray?—A. No, I do not think that is true.

Q. You say it is not unsafe to put a horse on it?—A. I do not think so, I see a horse working there right along every day.

Q. Is it of any service in its present condition for the purpose of a wharf?—A. No, I do not think it is.

Q. And this matter was put through in the spring and summer of 1908 and the public has received no advantage or benefit from it whatever, is not that right?—A. Only that the government is using it for a sewer.

Q. Except in respect of a sewer that the government has run through it, and they had a sewer through it before?—A. No.

Q. They had a sewer laid from the public building before, hadn't they, and it was a little crooked and they wanted to straighten it, but with that exception that is the only advantage that has accrued to the public. Now, the government bought another wharf in Richibucto the same season?—A. Yes, sir.

Q. From the municipality?—A. Yes, sir.

Q. That is just next to this property?—A. Adjoining it.

Q. And do you know how much the government paid for that wharf?—A. \$1,500.

Q. And that was a built-up wharf in use by the Kent Northern Railway with a track on it?—A. Yes, it was, in a kind of way, but it had not been safe for years and years.

Q. But it was a completed wharf, it was built up out of deep water?—A. Yes, in a kind of way.

Q. What is the population down there, Mr. Murray?—A. I do not just remember now.

Q. Now, the Kent Northern Railway had this, what is known as the Municipal wharf, which the government bought for \$1,500, under lease?—A. Yes.

Q. For how much rental?—A. \$50.

Q. \$50 a year; and you used it right up to the time of the transfer to the government. This other wharf is not used at all as a wharf?—A. No, but with a little expenditure on it—

Q. Is it not a barren waste of decayed sawdust?—A. No, with a little expenditure—

Q. How is that for a photograph of that wharf (handing photograph to witness) that is the condition in which the wharf is, is it not?—A. That is the condition of it.

Q. That is another view of it (handing another photograph to witness)?—A. Yes.

Q. As a matter of fact is not the greater part of that wharf submerged at high tide?—A. No, I do not think it is, not once in 10 or 20 years, to my knowledge, I do not think it was ever submerged under water.

Q. It simply forms an irregular beach, does it not, the whole face of it is washed away, and it is just an irregular beach?—A. I suppose you could call it that.

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Q. And it is washed away right down to low water level, is not that right?—A. I think the water is about 19 feet deep on the face of it, I think it is 18 or 19 feet.

Q. Where the sawdust meets the water?—A. Where the gravel part of this wharf is.

Q. Where the gravel is? And where is that?—A. The outer edge of the deep water terminus.

Q. You say there is 19 feet of water there?—A. Eighteen or 19 feet.

Q. That is the channel, isn't it?—A. Yes, the channel.

Q. Do you say the wharf goes out to the channel?—A. I do, yes.

Q. The bed of the river goes out to the channel.—A. I say that this gravel is within a couple of feet from the deep water at any time.

Q. And how far is it below the surface of the water, the top of the gravel?—A. I think it is  $1\frac{1}{2}$  or 2 feet.

Q. One and a half or two feet?—A. Yes.

*By Hon. Mr. Foster:*

Q. Is that high or low water?—(No answer).

Hon. Mr. FOSTER.—I am asking the witness, Mr. Chairman, whether that is high or low water.

*By the Chairman:*

Q. Which is that, high or low water?—A. I think it is the average tide, that is the outer part of that wharf is one and a half feet below.

*By Mr. Crocket:*

Q. You have told us in reference to the distribution of the money and all that you have been able to say is that you gave George W. Robertson an amount, you are not able to say whether it was \$2,000 or not; what did you do with the balance of it?—A. I paid my debts.

Q. You paid your debts, to whom? That was whose debt you paid to Robertson?—A. I paid whatever other debts I might have, I cannot remember the others.

Q. You cannot remember?—A. No, I cannot.

Q. But all the money is disposed of?—A. Yes.

Q. Mr. O'Leary himself was a creditor?—A. Yes.

Q. Did you discharge your debt to him?—A. I do not remember whether I paid him now on account, or whether I paid him in full.

Q. You do not remember?—A. No, I do not.

Q. But you know that you did owe him quite a large sum of money?—A. Yes.

Q. I want you to give me the name of any other bill, other than that of Robertson's that you paid?—A. I may have paid some notes or drafts on the bank. I had no idea I would be asked questions like that here.

Q. Have you writings or records of any kind in connection with your private business?—A. No, sir.

Q. You have none at all?—A. No, sir.

Q. You have nothing at all in connection with that transaction?—A. I do not think I have, to the best of my knowledge.

Q. And the only thing you had was the note?—A. Yes, and I may have destroyed that, I do not recollect whether I have destroyed it, as I usually do when a matter is closed.

Hon. Mr. PUGSLEY—I was not here when this case opened, did the witness give the frontage of this property on the river?

Mr. CROCKET—No, I have the plan here.

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*By Mr. Crocket:*

Q. That (handing plan to witness) is the present formation of the wharf?—  
A. Yes.

Q. The George W. Robertson of whom you have spoken is one of the government inspectors down there in Richibucto, is he not?—A. He has been, yes.

Q. He is inspecting a large public work down there?—A. Well, he was.

Q. The Jardine contract—A. He was a year back, yes.

Q. And he did last year—A. No, sir.

Q. He was last year?—A. Not last year, no.

Q. I think his name is in the last Auditor General's Report, but in 1908 he was there?—A. Yes.

*By Hon. Mr. Pugsley:*

Q. Will you give the frontage?—A. I think it is somewhere about 700 feet.

Q. And what is the depth of water in front of it?—A. I understood it was 18 or 19 feet.

Q. Is that average tide or low tide?—A. Average tide.

Q. And what depth has it?—A. Depth of water?

Q. No, the depth of the property back of the 700 feet frontage?—A. I think it is about 500 feet, roughly speaking.

Q. It is about 700 by 500 feet?—A. Well, I am judging that from the Municipal wharf.

*By Mr. Carvell:*

Q. Where is this property, where does it lie in reference to the main street of the town?—A. It adjoins the main street opposite the public building.

Q. And standing on the main street or front street looking towards the water you are looking, north, east, south or west?—A. East.

Q. And how far is it from the main street of the town out to the water front?—A. Well, I think it is somewhere in the vicinity of 500 feet.

Q. This plan says 500 feet.—A. I was going to say 525 feet. I measured it once or twice.

Q. Well, I think you are right, there is a jog in the property that does not belong to this parcel, and taking that jog off it would be over 510 feet between the main street and the water front.—A. The deep water terminus.

Q. That is over 500 feet?—A. I think it is 525.

Q. The frontage you say is how much?—A. If I recollect it is somewhere about 700 feet.

Q. What is the frontage of the Municipal wharf for which the government paid \$1,500?—A. I think it is 100, I do not know. I am not sure whether it is 100 or 150 feet.

Q. Well, I think by the plan you are in error; according to the plan it is 570 feet.—A. The frontage?

Q. The frontage of the land you sold?—A. Oh, I thought it was the Municipal wharf you were speaking about.

Q. No, I will ask you first what is the frontage of the land you sold to the government?—A. I think that the whole thing is about 700 feet.

Q. That is the Municipal wharf and yours together?—A. Yes.

Q. Now, divide them.—A. I would say there is probably 550 feet, something like that.

Q. That was the lot sold by you to the government, and the balance would be the Municipal wharf?—A. Yes.



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Q. I think that is about right; the plan shows about 570 feet here, but that does not say what the Municipal wharf is, but that is what it will be according to the plan?—A. Yes.

*By Hon. Mr. Fielding:*

Q. And is the depth the same?

Mr. CARVELL—About the same, the same depth of land in the two lots; one is four times as long along the front, but the depth is about the same in both.

*By Mr. Carvell:*

Q. Are there any railroads coming into Richibucto?—A. Only one.

Q. What is it?—A. The Kent Northern.

Q. And does the Kent Northern railway come near this land?—A. Yes.

Q. How close?—A. Well, it runs down to the wharf adjoining, that is to the other wharf.

Q. Taking this wharf in conjunction with the Municipal wharf it makes a frontage for railway purposes of 750 feet?—A. Yes.

Mr. HUGHES.—Do the two wharfs join?

Mr. CARVELL.—The two properties join.

*By Mr. Carvell:*

Q. Is there any other place in town where the railway comes to the deep water front?—A. No, sir.

Q. These are the only places?—A. The only places.

Q. Going across this Water street, the main street of the town, what property do you come to next?—A. Adjoining this wharf?

Q. No, across the street?—A. The public building.

Q. The Dominion Government building?—A. The Dominion Government, yes.

Q. So that the government owned in the first place the public building on the one side of the street, and they own the land and all the rights between the street and the water front on the other side?—A. To the deep water terminus.

Q. What is the frontage of the public building lot?—A. I could not say.

Q. Approximately?—Would it be 100, or 400 or 500 feet?—A. Probably 100 feet, it may be a little more.

Q. Did any other person approach you about purchasing this wharf between the time you bought it from Mr. O'Leary and the time you made the sale to the government?—A. Yes, Andrew Loggie.

Q. Who is he?—A. One of the firm of A. & R. Loggie.

Q. What is their business?—A. Their principal business is fish, and lumber, and they are general merchants.

Q. Are they a firm who do a large business?—A. A large business all over New Brunswick.

*By Mr. Reid:*

Q. Have they a dredging plant?—A. I think they have.

*By Mr. Carvell:*

Q. They are a big firm doing business all over a large part of New Brunswick?—A. Yes.

Q. Do they do any shipping at Richibucto of any kind?—A. In the fish business.

Q. Does that require wharfage rights?—A. Oh, yes.

Q. You say you had a talk with A. & R. Loggie about this wharf?—A. Yes. He came to me about it in the first place and wanted me to recall my offer. He said



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he heard I had made an offer to the government and I said, yes, I had, and he asked me afterwards to recall that offer, but I did not see how I could do that.

Q. In order to give him a chance to purchase it?—A. Yes.

Q. Did you tell him what the price was?—A. I did the second time.

Q. What did you tell him?—A. \$5,000.

Q. And still, knowing that, he asked you to recall your offer because he wanted to purchase?—A. Yes, I told him I didn't like to do so.

Q. That was before you got the money and before the deed was given to the government?—A. Yes.

*By Mr. Crocket:*

Q. What was your answer when I asked you the population?—A. I told you I did not know just what it was.

Q. Is it more than a thousand?—A. No, I do not think so.

Q. I intended to ask you about the payment of this note, the \$1,000. Do you remember for how many months it was drawn?—A. No, I do not, I do not remember whether it was 60 or 90 days.

Q. Who paid it?—A. I do not remember whether the money was remitted or how it was done.

Q. Did you send the money for it?—A. I don't remember whether it was put in the bank or whether I sent a cheque or how.

Q. Did you provide the funds for the payment of it?—A. Did I?

Q. Yes?—A. Well, I can't just remember how it was done, I know I paid the note, but I cannot say how it was done.

Q. Cannot you answer my question whether you provided the money for retiring that note when it fell due?—A. No, I cannot, because we have so many dealings that I do not know just how it was done, that is I have so many dealings with Mr. Robertson.

Q. You have so many dealings with him that you cannot tell how it was done?—A. Yes, we have so many different transactions.

Q. You tell me now that although that was your note, endorsed by Mr. Robertson, you cannot tell me how it was retired?—A. I cannot.

Q. You did not provide the money yourself?—A. I cannot say positively.

Q. Cannot you tell me whether you provided the money yourself?—A. Not now, I cannot, no.

*By Mr. Barker:*

Q. I just want to ask you a very few questions. How long has Mr. O'Leary lived at this place?—A. In Richibucto?

Q. I do not mean to a year or two, just tell us generally; I do not mean within one, two or three years, but, generally speaking, how long has he been a resident there?—A. I could not say, twenty years perhaps, he was away from home for a long time doing business.

Q. But he was known as a resident for ten or twenty years?—A. Yes.

Q. Do you know how long he has owned this property you bought?—A. Ever since I can recollect, and his father before him.

Q. And when you spoke to him about it he asked you \$700 for it?—A. Yes.

Q. He did not ask more?—A. No.

Q. Is he a man of business?—A. Yes.

Q. Doing a large business?—A. Yes.

Q. And he is fairly acquainted with the value of property there?—A. I guess so.

Q. And having owned it for years, and having lived there for years he simply asked you \$700 for this property?—A. Yes.

Q. In May 1908 or about that?—A. Yes.

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Q. And how many days after that was it you sold it for \$5,000?—A. I should say four or five months.

Q. When you made the bargain proposition asking \$5,000?—A. When I made my offer to the department?

Q. Yes?—A. Only just a short while after I got it.

Q. A few days afterwards?—A. More than that I think, I do not know exactly, but the documents will show.

Q. Was the deed drawn on the day that you agreed to buy it?—A. Yes.

Q. On that same day?—A. Yes.

Q. Will you tell the committee why you misrepresented the true consideration in the deed?—A. Why I what?

Q. Why you misrepresented in the deed what the transaction was as between you and Mr. O'Leary?—A. I cannot answer that question—that is as between paying \$700 and \$1,000 named in the deed.

Q. You said in that deed that the consideration for conveying the property to you was \$1,000, and that was not true, why did you misrepresent it?—A. I do not know why that was done.

Q. Do you mean to ask us to believe that it was Mr. O'Leary who misrepresented it?—A. No, I do not know whether it was the lawyer or how it was done, I cannot remember now.

Q. Was it your lawyer?—A. No, it was Mr. O'Leary's, but he is a friend of mine too.

Q. Do you think it is reasonable that Mr. O'Leary or his lawyer would misrepresent it?—A. It might have been \$1 instead of a thousand.

Q. You want us to understand that you did not direct that the amount stated should be \$1,000?—A. I do not say that at all.

Q. Do you say that you did it or caused it to be done?—A. No, I am not positive how it was done.

Q. Can you suggest any motive that Mr. O'Leary would have for misrepresenting the price?—A. No, I do not see why he would.

Q. You might, as purchaser?—A. I do not see on what grounds I should.

Q. You do not?—A. No.

Q. The next day you showed the deed to Mr. Robertson?—A. Yes.

Q. Not before the next day?—A. No, sir.

Q. How did you and Mr. Robertson come to go to St. John together?—A. Well, it is the custom for us to go there together.

Q. Was it just an accident you went that day?—A. Yes.

Q. You did not go for the purpose of attending to this note?—A. No.

Q. That arose by accident, that meeting?—A. Yes.

Q. Did you expect or intend to get the thousand dollars by yourself when you went to the other place where the negotiations took place?—A. At St. John.

Q. Was it at St. John?—A. Yes.

Q. When you went to St. John you did not expect to meet Mr. Robertson. Did you intend to meet Mr. Robertson or did you intend to raise the money on your own note?—A. I intended to ask him to endorse my note.

Q. You said you met him by accident. How did you know you were going to St. John together?—A. From conversation the day before.

Q. What was that conversation, anything about this property?—A. No, sir.

Q. And knowing that he was going you took it for granted you could make a deal with him about this note?—A. I knew he would not object for the simple reason that it had always been customary between us.

Q. You showed him the deed?—A. Yes, I did on the train.

Q. What was your object in doing that?—A. I had no object.

Q. Did you explain to him as one would think you ought to have done to a friend, that you had only paid \$700 for it?—A. I do not know whether I did or not.

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Q. Why did you borrow \$1,000 when you had only \$700 to pay?—A. I wanted it for some other reason.

Q. What was the other reason?—A. I cannot tell.

Q. Did Mr. Robertson ever get one dollar out of that transaction?—A. Yes, he did.

Q. What did he get out of it?—A. Whatever I owed him.

Q. That would not be getting it 'out of it,' did he derive any benefit whatever from the proceeds of the note?—A. Not to my knowledge.

*By Mr. Carvell:*

Q. Mr. Barker is talking about the proceeds of the note, not the cheque you got from the government?—A. Oh, not out of the note, no.

Q. Not a cent of it?—A. No.

Q. You got the whole thousand dollars?—A. Yes.

Q. You are sure of that?—A. Yes, all with the exception of the discount.

Q. Who drew up the note?—A. I think one of the bank clerks, if I remember right.

Q. Did Mr. Robertson draw it?—A. I do not just remember whether it was he or whether the clerk did it.

Q. Did he not do it while he was away during that time when you say you do not know what he was doing? Did he not come back with the note prepared?—A. No, I do not think he did. I cannot say what he was doing while he was away.

Q. Did you see him with anybody after you arrived at St. John together?—A. Oh, I saw him with different persons.

Q. With whom?—A. I cannot remember any one in particular.

Q. Did you see him with Mr. McAvity?—A. I saw different men around the hotel, standing around the hotel.

Q. Did you see him personally with Mr. McAvity?—A. I do not remember seeing him, he may have been with him but I do not remember.

Q. Was anything said between you that he would see Mr. McAvity?—A. Not that I remember.

Q. There seem to be a great many things you do not remember?—A. There are some things I do not remember.

Q. Did you give a mortgage for \$1,000?—A. I think it was drawn for \$1,000.

Q. The mortgage was drawn for \$1,000?—A. I think it was, I am not sure.

Q. Why did you make it for \$1,000?—A. I did not notice it when I signed it.

Q. But, \$700 is all that you paid?—A. That is all. I signed that mortgage within ten minutes of the train time when Mr. James presented it for my wife and myself to sign, and I took it for granted that it was all right, I never looked over it at all.

Q. That is your explanation; all I know is that railway officials do not generally do things that way.—A. I did not take time to look over it.

Q. Mr. O'Leary having sold that property to you for \$700, and you were to give him back a mortgage for that amount, the consideration was stated in the deed to be \$1,000, and he took a mortgage for \$1,000 in security for the payment of that amount, and the statement in the deed and mortgage that the consideration was \$1,000 is not correct, is not true?—A. That is right.

Q. Do you think now, or did you at any time think, that Mr. O'Leary had been trying to cheat you?—A. No, I do not think it; if I had any doubts of Mr. O'Leary I would have certainly have been more careful about the mortgage, but I took everything for granted that it was all right.

Q. Did he ever pretend that you owed him \$1,000 on the mortgage?—A. No, he did not.

Q. Was there any conversation between you and Mr. O'Leary as to why that \$1,000 was put in the mortgage?—A. Not to my knowledge.



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Q. You think he got that \$1,000 put in both the mortgage and deed? Do you honestly wish us to believe that. Do you think that in your own mind, now?—A. Do I what.

Q. Do you now swear that you believe he got that \$1,000 put in the deed and \$1,000 put in the mortgage?—A. Unbeknown to me?

Q. You did not know it you say?—A. I saw it on the deed but not on the mortgage.

Q. Not until afterwards?—A. Yes, that is right, not until afterwards.

Q. And do you tell us that you believe Mr. O'Leary instead of putting \$700 in the deed and the mortgage got \$1,000 put in each document?—A. I cannot tell anything at all about it; I believe that Mr. O'Leary and Mr. James both acted in good faith as far as that was concerned. I never discovered the \$1,000 in the mortgage until such time as the deed had been released.

Q. Mr. O'Leary never asked you for the \$1,000 named in the mortgage?—A. No.

Q. How did you come to get the \$1,000 in St. John?—A. Well, I wanted \$700 to pay O'Leary and \$300 for other purposes.

Q. Was that the reason you put \$1,000 in the mortgage?—A. No, sir.

Q. What did you do with the \$300?—A. I cannot recall it now. I must have wanted it for some certain purpose or I would not have got it. I would not carry it around in my pocket.

Q. Having got the property for \$700 and having \$1,000 inserted in the mortgage and in the deed, and having got \$1,000 on the note you wish to say to us that you did not know it was there?—A. No, I do not say that, it is the custom in drawing up a deed to put any amount you desire, even down to \$1.

Q. And in the case of a mortgage?—A. A mortgage is different from a deed.

Q. And the \$1,000 was in the mortgage too.—A. It was in the mortgage too.

Q. Did you tell Mr. Robertson on the way to St. John that you were going to raise \$1,000?—A. Yes, I asked him to endorse my note for \$1,000.

Q. And you showed him the deed with \$1,000 in it?—A. Yes.

Q. You are quite sure he got no share of the \$1,000?—A. No, he got no share only what I told you about before.

Q. Either directly or indirectly?—A. No.

Q. What did you tell us about that before?—A. I told you that I paid him so much money, but I do not know what the amount was.

Q. That was on your account?—A. Yes.

Q. But in no other way at all?—A. Yes.

Q. That is absolutely the case, is it not?—A. Yes.

Q. Of course I need not remind a man in your position that you are speaking on oath; you do not believe that Mr. Robertson came back with the note already drawn?—A. Not to my knowledge; I think the note was drawn up by Mr. Robertson over near the wall, it was either that or it was drawn up by the clerk.

Q. That portion of the \$5,000, that you gave Mr. Robertson was, you say, money you owed Mr. Robertson. What did you owe him that for?—A. I do not know, I owed him money, we had a lot of transactions but I do not remember just what it was for.

Q. You do not have many large transactions of that kind. Tell us what it was for. Was it a store account or was it dealings between you?—A. Yes, we have had many transactions together and he has often loaned me money, that is the reason I cannot tell how the note was paid.

Q. At all events you did owe him?—A. Yes.

Q. Had he rendered you any account?—A. Oh, he rendered me accounts at different times, yes.

Q. But for that money at that time?—A. No.



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Q. How long had you owed him that money?—A. I have owed him from time to time all along the same as I owe other people.

Q. You cannot give us any more information about that indebtedness than you have given us?—A. No.

Q. Do you keep books?—A. No, not in my own private business.

Q. Does he?—A. I do not know.

Q. What is he?—A. Speculator and farmer.

Q. Something like yourself?—A. Yes.

Q. And you keep no books, neither of you?—A. No, sir.

Q. And when he told you you owed him so much you would not object?—A. I had a pretty good idea.

Q. How long after you gave these thousands of dollars to your wife was it before you took any of it out to pay Robertson?—A. A week or two weeks.

Q. Was it a whole week, now?—A. Yes, I think it was.

Q. You imagine it was a whole week?—A. Yes.

Q. Where did you pay him that money?—A. I paid it to him at my house.

Q. He went to your house?—A. He happened to be there one evening.

Q. And your wife had the money in the house?—A. Yes, sir.

Q. Are you in the habit of keeping \$5,000 in your house for weeks?—A. No, I never have that amount very often.

Q. You expected Robertson to come soon, I suppose?—A. No, but I knew that I would have this to pay.

Q. Try to tell us how long after you gave that to your wife before he turned up to get a portion of it?—A. I tell you straight I cannot remember.

Q. You cannot?—A. No.

Q. Would you undertake to say it would be a whole week?—A. I imagine it would.

Q. You imagine it would be a week, that is the best you can do?—A. I do not remember much about it.

Q. Did you take a receipt for that sum?—A. For whatever the sum was, I think I did.

Q. Where is the receipt?—A. I do not know.

Q. You do not destroy receipts of that kind, do you?—A. I do not make a point of filing them in my private business.

Q. You haven't brought it here?—A. No.

Q. Are you sure you have it?—A. No, I am not.

*By Mr. Blain:*

Q. You have already said you had no conversation with Mr. McAvity in St. John on the day you borrowed the money. May I ask did you see Mr. McAvity at all?—A. I think I did, on the street.

Q. Did you see him in the bank?—A. Not to my knowledge, I do not recollect seeing him there, he may have been there.

Witness retired.

Mr. RICHARD O'LEARY, called sworn and examined:

*By Mr. Crockett:*

Q. You reside at Richibucto?—A. At Richibucto, Kent county, New Brunswick.

Q. How long have you lived there?—A. All my life, 44 years, with the exception of 6 years.

Q. You are a native of Richibucto?—A. A native, yes.

Q. What is your occupation?—A. General merchant, fish and lumber dealer.

Q. You are one of the largest property owners in the county?—A. I am the largest property owner in the county.

Q. And you own more property in Richibucto than anybody else?—A. More than anybody else.

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Q. Did you hear Mr. Murray's evidence?—A. I did.

Q. Given before the committee this morning?—A. I did.

Q. You might just state, Mr. O'Leary what took place between you and Mr. Murray previous to the execution of this deed on the 19th of May?—A. Mr. Murray was in my office one day during the month of April and told me that the sewer they had run from the public building was not giving satisfaction and I said it was strange that the chief architect should make such a bad job of this sewer, but that I would be glad to sell them another sewer right at the same price as I got for the last.

Q. What was that?—A. \$100. Mr. Murray said that in all probability he could get another sewer put through and asked me if he could have anything he could get for it over \$100. I told him that he could.

Q. Is that about all of that conversation?—A. No, that is not all of that conversation. At the same time I said, 'Tom, what is the matter with your father up there at the public building, he won't burn any light?' He said, 'I do not know anything about it at all.' And I said, 'it hardly pays us to light the building, we will have to be taking it out altogether if they do not burn a little more than they are.' So that on that matter you see there would not be enough made in the proposition to give him a rakeoff at his own house or in any other way.

Q. Then that statement was not true?—A. That statement is absolutely false.

Q. Did you ever mention \$400 or any other price?—A. Never any other amount than \$100. On the morning of the 4th of May, Monday morning, Mr. Murray called me up by phone, just when I was at breakfast, 8.30 a.m., and asked me if I remembered our conversation in reference to the sewer and I replied that I did remember very well, he said, 'Does that still hold good?' And I replied, 'It does, Tom.' He said, 'The reason I am asking you is that I am going to Ottawa this morning and I will ask the Minister while I am up there about it.' I said, 'All right, all I want out of it is \$100.'

Q. That is all that took place before he went to Ottawa?—A. Yes. Immediately after coming from Ottawa—he had told me that he was going to Ottawa and I saw by the papers that he had gone—after he returned from Ottawa he came to my office, and the first question I asked him when he came in was, 'How did you get along about the sewer?' And he said, 'What will you take for the whole bloody property?' I said, 'I do not know, Tom, do you mean the whole sawdust wharf?' And he said, 'Yes, the whole thing.' I said, 'I am willing to divide with you anything you can get over \$1,000 for it.' He said, 'No, I want to make some money for myself, I want to make an outright purchase.' I said, 'All right, on an outright purchase you can have it for \$700 or \$800. He said, 'Can I get the deed made out at that?' I said, 'Yes, and you can have the property for \$700 or \$800.' When going out of the office he asked me if I would object to have the consideration in the deed \$1,000, and I said, 'Not the slightest.' He said, 'Carter is in St. John and I will go and get James to make out the deed.' I knew that W. D. Carter was the solicitor for Murray. Mr. James brought the deed down to me at my office and I signed it and he took it up to my house and my wife signed it there. While Mr. James was in the office I said, 'Now, see about the money consideration before you hand the deed over to Murray.'

Q. You said that to whom?—A. To Mr. James. He got me to sign the deed and took it from my office to my house and my wife signed it. Mr. Murray then came down to my office in the evening, towards tea-time, and said, 'Can I get that deed?' I said, 'Of course you can as soon as you pay the money.' He said 'I cannot pay the money until I go to St. John, but you will be sure of the money, you need not worry about that, I want that deed to take to St. John with me to get the money.' I had an idea that Mr. Murray had not the money at the time because his obligations to me were fairly heavy along other lines. I said, 'I think I can see a way out of it; we will have a mortgage drawn out and we will deposit the mortgage

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in the Record office to go on record if the deed is registered before I get my money.' Mr. Murray agreed to that and Mr. James drew up the mortgage. Mr. Murray was going to St. John the following morning and wanted to take that deed and mortgage along with him, and Mr. James, a few minutes before the train left, got Mr. Murray and his wife to sign the mortgage, and on his way down left the mortgage in the Record office with Mr. Sayer with instructions regarding its registration. Mr. Sayer called me up by phone and told me what Mr. James had told him and I told him that was correct, and that he was to put the mortgage on record if the deed was filed before I got my money. Mr. Murray went to St. John, he took one day to go down, he was one day there, and took one day to come back. He brought me in \$600 and laid it down on the desk and I asked him, what this \$600 was for, and he said it was for the wharf. I said, 'You are mistaken.' He said, 'You said \$600.' I said, 'No, that is a mistake, I said \$700 or \$800, but I will make it the minimum of the figures I stated, \$700.' He said, 'Take \$600 now and I will give you the other hundred as soon as I turn it over.' I agreed and I got my bookkeeper to make an entry in the cash book which reads—

Q. That cash book can be produced here, you have the book?—A. Yes. The entry reads, as near as I can remember, this is from the cash book, 'Thomas Murray, on account of purchase of wharf, \$600, the other \$100 to be paid as soon as wharf is disposed of.'

Q. You will produce that entry?—A. I will produce that entry.

Q. Then what took place?—A. I immediately telephoned Mr. Sayer to return the mortgage to Mr. Murray so that it never went on record. On the 15th of October—there was nothing further that I had to do in connection with the sale or transfer of the wharf, until on the 15th of October Mr. Murray came into the office and handed me \$200, \$100 of that, he said, was the balance on the wharf purchase, and the other \$100 was to be credited to his account. Then the question of electric light came up again, but in another sense to that in which he mentioned it. Mr. Murray at his louse in the meantime did not see fit to pay my rates, he wanted a flat rate, and he shut the light off until he could get a flat rate, and then and there when he paid over the \$200 he made a bargain to pay an increased amount of \$15 a year on what he was paying for his house. That does not agree with his statement of a *rake-off*.

Q. You say you got the balance on the 15th of October?—A. I got the balance on the 15th of October.

Q. Do you remember Mr. Stead, the resident engineer of the Department of Public Works, being in Richibucto on the day the deed was made?—A. I do not think Mr. Stead was in Richibucto on the day it was made, but he was there immediately after Mr. Murray came from St. John, I think. I would not be positive as to that, but I know that about the time of making the deed Mr. James came to me and said, that—

Mr. CARVELL.—I object, that is hearsay.

*By Mr. Crocket:*

Q. Had you any instructions from Mr. James in connection with the preparation of the deed with reference to the description of the property and any complaints from the government engineer?

Mr. CARVELL.—I have no objection whatever to the witness telling anything that took place between him and Mr. Stead.

A. I never saw Mr. Stead at all, he did not come near me except through Mr. James.

Mr. CROCKET.—I think that is good evidence, this complaint was brought to the witness by the man through whom he was dealing with the government in reference to the description of the property.

The CHAIRMAN.—It is a round-about way of getting at it.

A. I might say that I refused to change the deed.



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*By Mr. Crocket:*

Q. Was that done on the 19th?—A. That was done on the 22nd, they wanted to take in another half acre that they said had been forgotten to be taken in, but that was not sold to them in the first place.

Q. You have spoken about the payment on the 15th of October.—A. That was \$100 on his personal account and the balance on account of the purchase of the wharf. He gave me \$200 then.

Q. You have stated that it was understood when you got the \$600—A. On 23rd of May.

Q. That the balance was to be paid when he disposed of the property?—A. When he disposed of the property, and it is so entered in my book.

Q. Did he tell you, in your negotiations, who was the person to whom he was to sell the property?—A. He did not tell me to whom he was to sell it.

Q. What did he say about that?—A. He did not say anything in particular about that; I knew from the sewer transaction what the property was for, and I did not question him greatly.

Q. How long have you had this property?—A. My father had owned it for ten years previous to his death, and I owned it ten years before I sold it. Father bought it at public auction twenty years ago.

Q. What condition was the property in?—A. When it was sold it was in very bad condition, useless to me or to anybody.

Q. What is it composed of?—A. Saw-mill refuse from a mill that was there 40 years ago, which stopped running forty years ago, and at the time she was there this slab and edging wharf was built there to load ships from, and it was covered with sawdust, and during those forty years the wharf has simply gone to decay; the wharf at that time was faced with condemned pine timber, square timber, and during the years the wharf has been out of use the timber has washed away and it is nothing more nor less than a pile of decayed sawdust and slabs. My father purchased it for the buildings that were on it.

Q. You had offered this property, had you not, to the Department of Public Works before?—A. Yes, I had.

Q. How much did you ask for it?—A. \$1,000.

*By Hon. Mr. Pugsley:*

Q. Was that offer in writing or verbally?—A. Verbally.

*By Mr. Crocket:*

Q. You offered it for \$1,000.—A. Yes, to David Waterbury, Inspector of Public Buildings and George Day, resident engineer, at that time.

Mr. CARVELL—When was that?—A. It will be about four years since as near as I can tell.

*By Mr. Crocket:*

Q. It was after the construction of the public building?—A. Just at the time the public building was completed.

Q. And Mr. Waterbury was the inspector on the public building?—A. Yes, for the province.

Q. And Mr. Day?—A. He was the resident engineer for the Public Works Department.

Q. It was not sold?—A. Mr. Waterbury simply answered me that the price was too high and Mr. George Day, with whom I was personally very familiar, said, 'Dick, you are on the wrong side of politics, I cannot do anything for you.' That was the answer I got at the time.



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Q. You consider that you got a fair price for the property?—A. I got every dollar it was worth.

Q. Since the property has been taken over there has been nothing done with it?—A. Nothing done at all, it has only washed away a great deal more, there is only about two-thirds of what was there then left.

Q. Is it of any service for public purposes?—A. Absolutely no service as a wharf or for any public purpose, there is nothing more than a point of land there.

Q. Was it needed for public purposes in Richibucto?—A. It was not, most certainly.

Q. What do you say about the existing wharf accommodation at Richibucto?—A. There is more wharf accommodation than there is business for, unfortunately.

Q. At the present time?—A. At the present time.

Q. And more than there will be need for for some years?—A. I am afraid more than will be needed for some time as Richibucto is going backward instead of forward; we have only a population of 600 or 700 people.

Q. Now, Mr. Murray was talking about having received an offer from A. & R. Loggie for the purchase of this wharf from him?—A. I know the firm very well.

Q. How long have they been carrying on business in Richibucto?—A. Twenty years.

Q. Did they ever make you any offer for the property?—A. Never at any time, and they are next door neighbours.

Q. Would you have sold it to A. & R. Loggie at \$700?—A. At any time.

Q. Would you have sold it to the government for the same amount?—A. I would so.

Q. This property adjoins what is known as the municipal wharf?—A. Yes.

Q. That property was kept up by the municipality until last summer?—A. Until the summer of 1908, and used as a railway wharf.

Q. Was the municipal wharf in good condition?—A. Yes, in good repair, it was a good wharf.

Q. And it was being used?—A. It was being used right along.

Q. That is a completed wharf all built up?—A. All built up with logs and fronting on the channel.

Q. And that wharf was purchased for \$1,500?—A. Yes, just about the right valuation.

*By Mr. Middlebro:*

Q. What was this property assessed for?—A. I cannot say, but after the sale they refused to make any difference in my assessment as they considered it valueless. That was the answer I got from the assessor.

Q. You are assessed for just as much to-day as you were before you sold it?—A. For just the same as I was when I owned that property.

*By Mr. Loggie:*

Q. I understood Mr. O'Leary to say that the outside or the front edge of the wharf was built of pine timber?—A. Yes.

Q. Will you tell the committee when that was done, and when the ships loaded there what depth of water could the ships have and come to the wharf?—A. I was a very small boy at the time the ships loaded there, but I have heard that they could load up to 17 or 18 feet of water.

Q. Seventeen or 18 feet of water?—A. Yes.

Q. Will you tell me what the rise and fall of the tide is?—A. About three feet at Richibucto.

Q. And you say that was built up with cribwork and timber.—A. With cribwork and timber.

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Q. And of course it would be 18 feet deep, and it is now washed away down to low water?—A. The whole front is washed off it and it just forms a beach.

Q. Yes, I understand, that is all right. I suppose you have not gone down in the water at low water to ascertain how far this has gone away below the water? What I want to get at is that it is the top part that is washed away?—A. Yes.

Q. Do you know from your own knowledge that the remaining 15 feet of that pine timber is not there still?—A. I do.

Q. Can you explain how that is when it would not decay under water?—A. It is washed away, the whole business is washed away, there is not a vestige of it left.

Q. How do you account for that, what has washed away the balance of it?—A. The storms for forty years.

Q. That will be quite true with regard to the top, but below the water it is there?—A. I tell you that the timber is not there, it is gone.

Q. I know all about wharf property—A. And you know about this property too, and you would not give \$700 for it, and Mr. Loggie, gentlemen, is in business in our town.

Q. I want to ask the witness if pine timber would decay under water, it might for the first three feet on top?—A. I contend that pine timber will not decay at all.

Q. Not when it is in the water, but the top of the wharf will?—A. Pine timber will not decay out of water.

Q. When it is drying and wetting it will not decay?—A. Pine timber will not decay.

Q. Then it must be a different kind of timber to what we usually have?—A. But this is washed away, it is not decayed, but it is washed away.

Q. What is a wharf like that worth, with pine timber for fifteen feet deep and 500 or 600 feet long, what value would you put on that?—A. I am not an engineer and I cannot estimate that, but the timber is not there.

*By Mr. Blain:*

Q. Is the timber there?—A. I say it is not there, and I swear it is not there.

Q. You say that, and you live there?—A. I live there and I know it, I swear it is not there.

Committee adjourned.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

THURSDAY, December 16th, 1909.

The Select Standing Committee on Public Accounts met at 10.30 o'clock, a.m., the Chairman, Mr. Warburton, presiding.

The examination of Mr. R. O'Leary continued.

*By Mr. Crocket:*

Q. Yesterday you stated that you would produce the entry in your book to which you made reference; have you got it now?—A. I have the book right here, yes. (Book produced). The entry is right here.

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Q. You might read it as it is in your book please?—A. (Reads). This is my cash book: page 188, May 23, 1908, 'Thomas O. Murray, credit, cash \$600, leaving balance \$100 to be paid when land is disposed of—'

Q. That is entered in—A. That is entered in the cash book in my bookkeeper's writing.

Q. There is a letter here, Mr. O'Leary, to which I would like to call your attention. It is dated Richibucto, N. B., May 20th, 1908. Can you tell the handwriting?—A. Yes.

Q. Whose handwriting is that?—A. George W. Robertson's.

Q. You are familiar with his handwriting?—A. I am familiar with Mr. Robertson's handwriting.

Q. And you say that is George W. Robertson's handwriting?—A. That is George W. Robertson's initials.

*By Hon. Mr. Pugsley:*

Q. One moment. With reference to the entry which you read a moment ago, it appears under what date?—A. Under date of May 23rd. It is Mr. Hogan's, my late bookkeeper's.

*By Mr. Crocket:*

Q. This is the letter to which reference was made a while ago, Mr. O'Leary, (reads).

RICHIBUCTO, N.B., May 20, 1908.

HON. WM. PUGSLEY,  
Minister of Public Works,  
Ottawa, Ont.

DEAR SIR,—On account of the large increase in business, consisting chiefly of lumber, fish, &c., it is necessary that the government find wharf accommodation and accommodate the wants of the people. At present the government owns no wharf accommodation in this town. The Kent Northern railway runs to deep water terminus but cannot accommodate the public. The shippers of the lumber and fish are merchants who are scattered all over the country and have got to bring their goods to Richibucto for shipment. At present there is no wharf accommodation whatever to receive goods. We would, therefore, strongly urge the Department of Public Works to secure sufficient wharf accommodation to take care of the public's needs, and would ask you to send your engineer to Richibucto to look over an available site suitable for wharf accommodation.

Yours very truly,

KENT NORTHERN RAILWAY,

(Sgd.) per G.W.R.

Q. Do you say the writing at the foot of the letter 'G.W.R.' is George W. Robertson's?—A. George W. Robertson's, yes.

Q. Is that the same George W. Robertson who was mentioned yesterday?—A. The same gentleman who was mentioned yesterday.

Q. As having come to Ottawa with Mr. Murray and seen the Minister of Public Works?—A. And the same gentleman who went to St. John.

HON. MR. PUGSLEY.—What did he see the Minister of Public Works about? I was not here yesterday when he gave evidence. I understand the witness says this matter was not referred to between him and me. If that is so, I think reference ought to be made to it, and I desire to draw attention to the newspaper reports of what took place here yesterday. From the report in this morning's 'Citizen,' the inference would certainly be drawn that Mr. Murray and Mr. Robertson had seen me



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in Ottawa in reference to this matter; that would be the inference. Now I think if Mr. Murray yesterday swore that this subject was not referred to, it is only due to myself and due to those gentlemen, that that reporter instead of leaving the inference to be drawn that Mr. Murray had seen me in connection with this matter should state the facts. Did Mr. Murray not swear that this matter was not referred to at the interview with me?

Mr. NESBITT.—Yes, he did positively.

Hon. Mr. PUGSLEY.—Then I think the reporter, in justice to myself, ought to state that.

The CHAIRMAN.—I think the report in the newspaper to which Mr. Pugsley refers is not correct.

Hon. Mr. PUGSLEY.—Did the witness not swear positively that this subject was not referred to?

Some Hon. MEMBERS.—Yes.

Hon. Mr. PUGSLEY.—Then it is very unfair that reporters who come here to report the proceedings should, by their reports, convey a wrong impression to the public.

The CHAIRMAN.—My recollection is that the report to which Mr. Pugsley refers does convey a wrong impression. However, we will refer to the evidence.

*By Mr. Crocket:*

Q. I think your last answer was that this Mr. Robertson was the same George W. Robertson—A. The same George W. Robertson who came to Ottawa with Mr. Murray and went to St. John with Mr. Murray.

Q. You have heard the evidence of Mr. Murray that he went to St. John with Mr. Robertson on May 20th.—A. On May 20th.

Q. That is the date of that letter?—A. That is the date of that letter.

Q. By the way, is Mr. Robertson in Richibucto now?—A. Mr. Robertson is in Vancouver, I understand. He went there a few weeks ago, and I understand he is still there, living there.

Q. Then he has left Richibucto?—A. Left Richibucto, yes.

Mr. CROCKET.—I want, Mr. Chairman, to put in certain other letters as this is the proper place for them. I hope my hon. friends will have no objection. These letters are from the files.

The CHAIRMAN.—I do not suppose there is any objection.

Hon. Mr. PUGSLEY.—I have no objection. You can put in the whole file if you wish.

Mr. CROCKET.—Very well. The letters I desire to put in are as follows (reads):

May 23rd, 1908.

DEAR SIRs,—I am in receipt of your favour of the 21st instant, and in reply I beg to say that the matter of increased wharf accommodation at Richibucto will have my careful consideration, and I will give directions that a report be secured upon same.

(Sgd.) WILLIAM PUGSLEY.

The Kent Northern Railway Co.,  
Richibucto, N.B.

Mr. CROCKET.—Here is a memorandum from the Minister (reads):—  
(Copy)

OFFICE OF THE MINISTER OF PUBLIC WORKS OF CANADA.

OTTAWA, May 23, 1908.

*Memorandum to Chief Engineer:*

Kindly have report secured with reference to increased wharf accommodation at Richibucto, as per letter of the Kent Northern Railway Company, attached.

(Sgd.) WILLIAM PUGSLEY.



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Mr. CROCKET.—And then there is a letter from the chief engineer of the department.

Hon. Mr. PUGSLEY.—You do not suggest that my letter would have arrived at Richibucto on the 23rd of May, do you?

Mr. CROCKET.—No, I am suggesting nothing, Mr. Pugsley, but what the papers themselves suggest. Then on the 27th of May there is a letter from the chief engineer of the department, Mr. Lafleur, to Geoffrey Stead, as follows (reads):—

(Copy)

DEPARTMENT OF PUBLIC WORKS,

CHIEF ENGINEER'S OFFICE,

OTTAWA, May 27th, 1908.

I inclose herewith a memorandum from the hon. the minister, regarding increased wharf accommodation required at Richibucto as per attached letter of the Kent Northern Railway. Kindly look into the matter and let me have a report thereon, as soon as possible.

(Sgd.) E. D. LAFLEUR,  
*Chief Engineer.*

GEOFFREY STEAD, Esq.,  
Resident Engineer.  
Chatham, N.B.

Hon. Mr. PUGSLEY.—What is the date of that letter?

Mr. CROCKET.—May 27th. And Mr. Murray's offer was made in writing to Mr. Stead on the 4th of June.

*By Mr. Crocket:*

Q. Do you know whether Mr. Robinson carries on any business for the Kent Northern Railway or signs their communications?—A. That is the first communication of the Kent and Northern railway which I ever knew George W. Robertson to have anything to do with, and I do business with them every day of my life.

Q. Do they use a typewriter in the office of the Kent Northern railway?—A. They have not such a thing in the office.

Q. The letter referred to is in typewriting?—A. Yes.

Mr. CROCKET.—That is all.

*By Hon. Mr. Pugsley:*

Q. Are letters never written on the typewriter in the Kent Northern railway office?—A. Never from their office.

Q. Do they write such letters from anywhere?—A. I never saw a typewritten letter from the Kent Northern until I saw that one this morning.

Q. Now, Mr. O'Leary, with reference to that letter of the 23rd of May, in the ordinary course of the mail how long would it take that letter to go from Ottawa to Richibucto?—A. Two days.

Q. In the ordinary course of the mail two days. Then this letter of mine which has been put in under date of May 23rd, 1908, in the ordinary course of the mail would not reach the Kent Northern, Richibucto, until the 25th of May?—A. A telegram of the same date would reach Richibucto on May 23rd.

Q. You were not asked that.—A. I am volunteering the information.

Q. Do not forget for the moment that you are not running an election in Kent county, but that you are here to give evidence under oath and to answer questions.

Mr. HUGHES.—The witness has all the privileges that any member of this committee possesses.

The CHAIRMAN.—The witness must answer the questions put to him.

Hon. Mr. PUGSLEY.—I asked the witness if a letter written on 23rd of May in the ordinary course of the mail would reach Richibucto before the 25th of May.

Mr. HUGHES.—There is no need to read the Riot Act.

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Hon. Mr. PUGSLEY.—There is no necessity for you, Colonel Hughes, to display your military knowledge here.

Mr. HUGHES.—You insulted the witness by telling him that he was not running an election in Kent county.

The CHAIRMAN.—Yesterday I sustained Mr. Crocket in his examination of the witnesses despite the protests of some people, and I think that Mr. Pugsley has the same right to be sustained to-day.

Mr. HUGHES.—The minister has no right to introduce political elections.

*By Hon. Mr. Pugsley:*

Q. Now Mr. O'Leary the question asked you was whether a letter written on the 23rd of May from Ottawa would, in the ordinary course of the mail, reach Richibucto before the 25th?—A. My answer was that it would not, but that a telegram would reach there the same day if it were sent on the 23rd of May.

Q. Did I ask you that?—A. That is my answer.

Q. Is there a telegram in evidence here?—A. I don't know. There is a telegram in evidence, yes.

Q. Dated 23rd of May?—A. I do not say it is dated 23rd of May.

Q. What is the telegram?—A. Would you kindly let me have that telegram, Mr. Crocket?

Mr. CROCKET.—I wonder if the stenographer has it.

Hon. Mr. PUGSLEY.—What telegram is it?

Mr. CROCKET.—One of the 18th September sent by Mr. Murray.

Hon. Mr. PUGSLEY.—Mr. O'Leary suggested——

The WITNESS.—You asked me if there was a telegram and I said there was.

Hon. Mr. PUGSLEY.—You suggested that there was a telegram from me to the Kent Northern Railway.—A. I beg your pardon.

Q. You said there was a telegram from me to the Kent Northern Railway.—A. I did not, sir.

Q. Then what do you mean in suggesting, in answer to my question as to whether a letter written by me in Ottawa on the 23rd of May would reach Richibucto before 25th May—what do you mean by saying that a telegram sent by me from Ottawa would do so?—A. I mean to say that it would do so.

Q. Is there such a telegram in evidence?—A. I don't know that there is. I have not seen any.

Q. Then why did you suggest such a thing?—A. Have I got to explain why I did say so?

Q. Yes.—A. Then I say it is a fact that a telegram sent from here on the 23rd of May would reach Richibucto on the 23rd of May. I state that it is a fact.

Q. You made a suggestion without the slightest evidence that there was any such telegram did you?—A. I have made the statement.

Q. Is that correct or not?—A. I have made the statement and the statement is correct, that a telegram sent from here to Richibucto would reach there on the same date.

Q. Is it correct that you make that suggestion without the slightest evidence that there was any such telegram?—A. I don't know whether there was any such telegram. I make the statement that a telegram sent from Ottawa to Richibucto would reach there on the same date that it was sent.

Q. If there was such telegram?—A. You know whether there has been or not.

Q. I have no knowledge of any such thing. I assumed from your making the statement that you were aware that there was some such a telegram in evidence. I did not suppose you would, in common fairness, suggest that there was any such thing if it did not actually exist?—A. I did not suggest it.

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Q. You say you are the largest property owner in Richibucto, and I suppose one of the most influential of the citizens of that place?—A. I don't pretend to wield any influence, Mr. Pugsley.

Q. You take a very active part in politics?—A. Not extremely so. I take my part as well as I can and do all I possibly can when the proper time comes.

Q. And you are a strong Conservative?—A. I am a strong Conservative.

Q. There is no discredit in that?—A. Certainly not. I always have been.

Q. How many years ago is it that you say you came to live in Richibucto?—A. I came back to live in Richibucto in the year 1891 after being away six years in Campbellton.

Q. You had lived in Campbellton, your father I think lived part of the time in Campbellton and part of the time in Richibucto?—A. My father lived part of the time?

Q. Yes?—A. My father never lived in Campbellton in his life.

Q. You are quite familiar with property then in Campbellton? Also I suppose on the Miramichi river and Richibucto?—A. Oh, not extremely familiar. Probably in Campbellton conditions have changed very much in twenty years, since I lived in Campbellton.

Q. You say that you are the largest taxpayer in Richibucto?—A. I did not say I was the largest taxpayer, I said I was the largest real estate owner. That is not what I said before if you ask me the question.

Q. I think you said so?—A. I did not say so.

Q. What is the value of the property you own?—A. I do not think I am supposed to answer that question as to the value of the property I own.

Q. You would not be unless you made the statement to Mr. Crocket that you were the largest property owner.—A. I say I am the largest property owner.

Q. I will not go into your private affairs.

Mr. HUGHES.—If you would allow me to correct you. The witness said he was the largest property owner in Kent county.

The WITNESS.—I think I said that.

*By Hon. Mr. Pugsley:*

Q. You own some wharf property?—A. I do, Mr. Pugsley.

Q. Where is that situated?—A. Right on the river front.

Q. How far from the railway?—A. How far from the railway? The property I own now is about three hundred yards, it may be about two or three hundred yards.

Q. What frontage would there be on the river?—A. I have got a frontage of probably three hundred feet, two or three hundred feet.

Q. What do you value the wharf property at?—A. The cost was \$1,500, we value it at \$1,500.

Q. What do you value it at now?—A. With the improvements we have added during the year we would sell it at \$2,000.

Q. What depth of water is there?—A. 18 or 20 feet.

Q. At low tide?—A. Well, the rise and fall of the tide is not very large.

Q. What depth of water have you at low tide?—A. I would say about 14 feet at low tide.

Q. Mr. Loggie's property is further up?—A. It is between that and my other wharf property.

Q. You have other wharf property below Mr. Loggie's?—A. Below Mr. Loggie's.

Q. What frontage has Mr. Loggie there?—A. The actual wharf frontage is probably 150 feet and then he has considerable frontage to his property at the side.

Q. What depth of water has he at his wharf?—A. I should say 7 or 8 feet.

Q. So that his wharf property is not available for any large vessels?—A. No, large vessels cannot go there.



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Q. You and his firm are quite active competitors in business are you not?—A. Yes, in the fish business, we are both in the same line of business.

Q. You have said that Richibucto is going behind; are there not some three or four large concerns doing extensive business in Richibucto?—A. There are other firms but no very large ones. The Loggies and myself do the bulk of the business there.

Q. What is the value of the business you do in the course of the year?—A. My business is \$150,000 to \$200,000 a year.

Q. And the Loggie's business would amount to about as much as that, would it?—A. About half as much as that.

Q. And you are competitors not only in Richibucto, but also in other places in New Brunswick?—A. Competitors in nearly every fishing place in that neighbourhood.

Q. You represent the Chicago Fish Trust?—A. No, I represent R. O'Leary.

Q. You are associated with Mr. Montgomery?—A. We are associated at Loggieville and also in some fish business.

Q. How does Loggieville compare in population with Richibucto?—A. They are places about the same size, it is not as large as Richibucto.

Q. You and Mr. Montgomery recently bought a property at Loggieville?—A. Yes.

Q. What did you give for it?—A. \$2,500.

Q. What is the size of the lot?—A. It is quite a large-sized building lot, I am not prepared to say how large, but there are three or four buildings on it.

Q. Is it 80 feet or 100 feet?—A. 300 feet by 200 feet, somewhere near that.

Q. That will be a little over one acre, will it not?—A. I have not figured it up.

*By Mr. Crocket:*

Q. There are buildings on it?—A. There were three buildings on it when we bought it.

*By Hon. Mr. Pugsley:*

Q. They were wooden buildings?—A. Wooden buildings.

Q. Have you any water frontage there in connection with it?—A. No water frontage.

Q. Do I understand you to say that Richibucto is going behind, that it is going backwards?—A. Unfortunately it is.

Q. Richibucto is the centre of business of the whole parish of Richibucto, is it not?—A. It is a shire town.

Q. And the population of Richibucto is between 4,000 and 5,000, is it not?—A. I should think the population of the parish is between 4,000 and 5,000.

Q. And Richibucto is the business centre?—A. Richibucto, Rexton and Richibucto village are the business centres.

Hon. Mr. PUGSLEY.—I find, Mr. Chairman, on page 25 of the transcript of the stenographer's notes of the evidence given by Mr. Murray yesterday, the following:

'Q. And it was Robertson and yourself came to Ottawa and saw the Minister of Public Works?'

And the answer is:

'A. I never saw the Minister of Public Works in regard to this business.' That is why I say that the inference sought to be drawn in the *Citizen* this morning is an unfair one, because it conveys the impression—I do not suppose the reporter intends to do so—which any one would draw from reading the report, that Mr. Robertson and Mr. Murray had seen me when in Ottawa in regard to this business, whereas Mr. Murray swore directly to the contrary.

Mr. HUGHES.—He said that he did not see you, he did not say that Mr. Robertson did not see you.



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Hon. Mr. PUGSLEY.—The question was, 'And it was Robertson and yourself came to Ottawa and saw the Minister of Public Works?' To which the answer was, 'I never saw the Minister of Public Works in regard to this business.' I take it that Mr. Murray could not say whether Mr. Robertson saw me or not; of course, what Mr. Robertson did.

(Examination of witness resumed.)

*By Hon. Mr. Pugsley:*

Q. Now, Mr. O'Leary, it is true, is it not, that at the time the letter of May last was written to me by the Kent Northern railway the government had no wharf property whatever in Richibucto?—A. I do not know whether they had concluded the transfer of the municipal wharf or not, but I know that the municipal wharf had been surveyed for them, examined and reported on.

Q. What you say now is unless they had acquired the municipal wharf?—A. Yes.

Q. There was no other government wharf?—A. Not that I know of.

Q. The Kent Northern railway runs down to the municipal wharf?—A. To the end of the municipal wharf, yes.

Q. Are you aware whether or not the accommodation for the railway is limited at that wharf?—A. It is not limited at all.

Q. Is it possible to do any shunting of cars upon that wharf?—A. Any shunting of cars?

Q. Yes?—A. They can haul a car up and take one down the same as they do anywhere else.

Q. Could they lay another track on it?—A. Lay another track on it? I am not a railway man you know, I cannot tell you.

Q. You know perfectly well that is not the way railway cars are conveniently handled, they must have sidings?—A. The Kent Northern railway is a rather primitive railway and does its work in a primitive way.

Q. But it does haul more than one car a day?—A. It has one train a day with one freight car and one passenger car, that is the usual train.

Q. But it is a fact that there is no siding on the wharf?—A. There is a track down to the end of the wharf.

Mr. BARKER.—I would like to know whether you are speaking now of the wharf which the government bought.

Hon. Mr. PUGSLEY.—We are speaking now of the municipal wharf.

*By Hon. Mr. Pugsley:*

Q. Now with the municipal wharf which the government has acquired and with the extension of the wharf along the additional property which has been bought since there will be a chance to give pretty good accommodation, will there not?—A. More accommodation than will be needed in Richibucto in the next 25 years.

Q. Will you swear that no additional railway accommodation is needed at the wharf?—A. A better service is needed, but the wharf is quite sufficient for all the railway accommodation required for Richibucto.

Q. Would it be possible to put additional sidings upon the wharf?—A. Quite possible.

Q. What is the width of the approach to it?—A. The width of the approach I would say is 25 feet, maybe more, 30 feet.

Q. And you say it would be reasonably possible to build an additional siding there and leave a roadway for the public?—A. I do not know that it is my business to say what they should do with the wharf.

Q. Is there any railway accommodation at your wharf?—A. None.

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Q. You and Mr. Loggie have to bring all the stuff that comes to you by rail to your place of business?—A. It is only a very short distance, a couple of blocks or three blocks.

Q. And Mr. Loggie does the same?—A. Yes.

Q. Where do you have your fish warehouse?—A. I have one just up at the railway station and one down near my store.

Q. And you and Mr. Loggie both send a great deal of frozen fish away?—A. Our shipments might be each about 25 cars a year.

Q. That is 25 cars for each of you?—A. Yes.

Q. And you cart the fish from your warehouse to the cars?—A. We load a car from the warehouse with a couple of teams in a couple of hours.

Q. Then you do cart it in a frozen state to the refrigerator cars?—A. Yes. I may say that I offered this wharf to the railway with all the rest of this water front, and also Mr. Loggie, for the sum of \$1 per year in perpetuity, if they would bring the railway along the same sawdust wharf and along our water front. I have the offer in writing with me.

Q. You and Mr. Loggie both considered it of sufficient importance to get the railway to your wharfs?—A. We were willing to give our water front for the nominal rent of one dollar per year, and that included the sawdust wharf.

Q. A right of way over the sawdust wharf?—A. And it would include other wharfs, and would include Mr. Loggie's wharf.

Q. And the railway declined the offer on the ground that it was too expensive?—A. The railway company declined the offer; they had not the means. They said if the government would help them they would build it, and we offered to contribute a part to the building. Mr. Loggie and I.

Q. That shows what I am trying to bring out, that it was of very considerable importance to have railway connection with the warehouses.—A. I am very glad if you think it is so.

Q. Mr. O'Leary, where were Mr. Stead and Mr. Waterbury when, as you say, some four years ago you offered them this property for a thousand dollars?—A. I never offered the property to Mr. Stead at that time.

Q. Not Mr. Stead, I mean Mr. Day.—A. Mr. Waterbury met me before the post office at Richibucto and asked me what I would take for the property. I told him a thousand dollars. Mr. Day when he came to me—he usually came to my house every time he came to Richibucto, he was a personal friend of mine—I made a proposition to him in my house.

Q. And you say that was about four years ago?—A. About four or five years ago.

Q. Now Mr. O'Leary has not Mr. Day been dead six years?—A. I could not swear that it was six years ago since Mr. Day died, but I am positive that I have not had any conversation with him since.

Q. I thought perhaps you had some communication with him since.—A. No, not since.

Q. More especially since you were both good Tories.—A. You were with us about that time.

Q. Well, possibly.

Several MEMBERS.—What is the witness saying?

The WITNESS.—I said that Mr. Pugsley was one of us at that time.

*By Hon. Mr. Pugsley:*

Q. That would carry us back to thirty years ago at all events.—A. That was in the 1896 stampede.

Q. At all events it is true, is it not, that Mr. Day died?—A. Mr. Day is dead some five or six years..

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Q. How long before his death was this?—A. I would not say. It might have been some time before.

Q. It might have been eight years ago?—A. I don't know; I don't think so, Mr. Pugsley.

Q. Will you swear it was not?—A. No I will not swear that it was not. I do not think I am on trial here. If any one is on trial the choice is up to you.

Q. I do not want to put you on trial, you are here to give evidence.—A. You know very well that I took no record of Mr. Day's death and it is a very foolish question to ask.

Q. It is not a foolish question; would you swear it was four years ago?—A. Four or five years ago, but to my knowledge Mr. Day has been dead six years.

Q. Will you swear that it was not eight years ago?—A. I could not positively swear as to the date.

Q. Do you happen to know that Mr. Waterbury has nothing, and never had anything, to do with wharf property?—A. I don't know. Mr. Waterbury is the man who asked me the question.

Q. Mr. Waterbury is the inspector of public buildings?—A. Mr. Waterbury asked me what I would take for the property and I told him I would take a thousand dollars.

Q. Was that before you had conveyed the right of way to the sewer or afterwards?—A. It was just at the same time or about the same time.

Q. What were you paid for the right of way for the sewer?—A. One hundred dollars.

Q. What strip did that give the government?—A. I do not remember, the deed will speak for itself.

Q. You have never made any offer of this property to the government have you?—A. The only offer that I made was what I said to Mr. Waterbury.

Q. That was a verbal statement?—A. And to Mr. Day, it was a simple verbal statement.

Q. You did not assume at all that there was any record at Ottawa of that, do you?—A. I did not, I don't know how the records are kept at Ottawa.

Q. Prior to your giving to Mr. Murray the option on this property, had you ever offered it for sale?—A. The property has been for sale since 1897.

Q. Had you offered it publicly for sale?—A. I never had a public auction for selling it to anybody.

Q. Did you ever advertise it for sale? A. I sold it once to Frank Ingersoll, of Grand Manan, to put up a smoke house, a smoke house for herring.

Q. How long ago was that?—A. In 1905. I sold him the property for \$500. Mr. Ingersoll paid me \$50 on account and rued the bargain; he would not take the property at \$500.

Q. That was in 1905. You stated yesterday that Mr. Stead wanted to have the deed corrected?—A. Excuse me, Mr. Pugsley, I did not say that Mr. Stead wanted me to, I said Mr. Stead wanted Mr. James to.

Q. Wanted Mr. James to make a change?—A. Yes.

Q. Where would that take the half acre off?—A. Have you got the deed which I refused to sign?

(Document produced).

WITNESS.—Where are the front lots here?

Q. This is Water street. (Pointing out on the plan).—A. Where are the lots owned by different people? Whose lots are they?

Q. I don't know.—A. Would you please give me the plan we had made? It shows the different lots which were sold to the other parties. Here is pretty nearly a copy of the plan, Mr. Pugsley, it shows the different lots owned by others.



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Q. Now where did you say Mr. Stead wanted the deed changed?—A. See these different lots here? (Pointing to plan).

Q. Yes.—A. Well these parties living here have a certain depth and when I sold to Mr. Murray I told him to take a straight line across and not interfere with those parties who had their back fences down to here. Mr. Murray then tried to force one of the residents living here, Joseph Cormier, to pay him a large amount of money for the little strip back of his property when he thought he had it. I assured Mr. Cormier that Mr. Murray did not have it and then Mr. Murray came and tried to get a deed of these different little lots which I refused to sign, although I offered to sell them to him. These are the little lots here back of these houses.

Q. And that is what you say Mr. Murray wanted you to give the deed of?—A. Yes.

Q. Was that when the government was buying the property?—A. That was on the 20th of May.

Q. Well now, tell me this, I see by this plan you profess to give Mr. Murray 736 feet on the river, which Mr. Murray also deeded to the Crown. Did not Mr. Stead want a change so as to have the deed conform to the actual survey?—A. He may have possibly wanted it. He wanted these changes which Mr. James could not give him, and which I refused through Mr. James to give.

Q. I want also to call your attention to this fact that according to your plan 736 feet are given, whereas Mr. Stead makes it on the river front 570 feet, do you know which is right?—A. I do not. Let me see the plan and I will tell you which is right. Here is the property that I deeded to Mr. Murray (Pointing out on the plan).

Q. And where is this 736 measured from?—A. I don't know how Mr. Fish makes that up. I never examined his plan.

Q. Was it Mr. Fish made this plan?—A. Mr. Fish.

Q. What material is there on the outer face of the wharf, there is a good deal of gravel is there not?—A. The outer face of the wharf runs out to a point.

Q. Have not people been taking the gravel from there during the past summer?—A. Off this shore, yes.

Q. Who have been taking gravel from there?—A. Mr. Murray supplied it for the front street, and I hauled gravel from there for a short while.

Q. By whose permission did you haul gravel?—A. Nobody's permission it was at low water mark.

Q. But on land that the government bought?—A. Yes.

Q. How many loads of that gravel did you take?—A. Oh, 30 or 40, perhaps more.

Q. But is that gravel natural gravel or is it gravel deposited there, ballast out of the vessels?—A. Deposited as ballast out of the vessels and washed down off the wharf.

Q. There is a great deal of that ballast in the wharf, is there not?—A. Oh, no, only that outer end part there. I will not say that I hauled gravel off the government property, part of this shore belongs to me and my instructions were to take it off my shore.

Q. I do not see where you could take it off your own shore. Do you not know that you have hauled gravel from the government property?—A. If I have I am willing to pay for it, whatever it is.

Q. I think you should do so.—A. I am quite willing to do so.

*By Mr. Hughes:*

Q. Are you willing to pay for it at the same rate as the government bought the wharf?—A. Oh, no, not at all.

*By Hon. Mr. Pugsley:*

Q. I think you ought not to be removing wharf property without permission?—A. What about the town gravel, for the front street, was that taken under the permission of the government?



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Q. I do not think they should take it either without permission.—A. They did it under Mr. Murray's instructions. I am sorry I did not ask Mr. Murray.

Q. You should not ask Mr. Murray, you should ask Mr. Stead, the resident engineer.

*By Mr. Reid (Grenville):*

Q. Was not this gravel drawn when the tide was out? When the tide was down? —A. I made that statement, it was at low water mark, that is the only place where there is any gravel.

*By Hon. Mr. Pugsley:*

Q. This gravel is some 15 or 16 feet above the bed of the river, this forms part of the wharf and it is ballast that has been deposited there for 30 or 40 years.

*By Mr. Crocket:*

Q. You stated, Mr. O'Leary, that you own a wharf there with a frontage of how many feet?—A. I would say between 200 and 300 feet.

Q. That was put up and maintained by yourself as a private property?—A. By myself, as a private property.

Q. And Mr. Loggie also has one?—A. Mr. Loggie also has one.

Q. And you built that wharf for \$1,500?—A. We bought it for \$1,500.

Q. How does that compare with other wharfs at Richibucto? Is that the best wharf at Richibucto?—A. It is the best wharf at Richibucto.

Q. Is it better than the municipal wharf?—A. It is a better wharf than the municipal wharf.

Q. And you bought it for \$1,500?—A. For \$1,500.

Q. I understood you to say that you made an offer to the Kent Northern railway to give them those sheds, the wharf, the right of way, and the sheds on the wharf?—A. The right of way over that wharf and all my other wharfs and water frontage for \$1 per year.

Q. For \$1 a year?—A. For \$1 a year.

*By Mr. Middlebro:*

Q. What buildings were there on that property at Loggieville?—A. A blacksmith's shop, a shoemaker's shop and some residences.

Q. What would they be worth?—A. Not a great deal of money. The buildings at Loggieville would not be worth over \$500. I might say that the reason we had to pay such a high price at Loggieville was that A. & R. Loggie, who are dredging contractors, were trying to keep us out of Loggieville and we paid \$2,500 for property not worth as much as that in the open market.

Q. There were no buildings on this wharf in question?—A. There were no buildings on the sawdust wharf.

*By Mr. Daniel:*

Q. What vessels, if any, ever lay at the sawdust wharf?—A. There has not been a vessel lay there within my recollection, since I was a small boy; I remember them loading there when I was a small boy, but there have been none since.

Q. So that this has not been used for a wharf for a long time?—A. Not since we got it 20 years ago.

Q. And it is in a state of dilapidation?—A. It is in a state of decay, we have never spent a cent on it.

Q. When you were a small boy were there any vessels of large size using it?—A. Yes, it was a large shipping port and I have heard my father say that as many as 100 vessels at a time were at Richibucto, and now you will not see any. The

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lumber has been cut out and there is very little shipping of lumber done at Richibucto now, I do it all myself.

Q. There is no wharf accommodation there for vessels?—A. There is no wharf at all.

*By Mr. Middlebro:*

Q. Is there any business at the municipal wharf?—A. The municipality has had the only wharf there, and it did not pay, they could only get \$50 a year rental for it and they had difficulty in collecting that amount.

*By Hon. Mr. Pugsley:*

Q. Is it true that the municipality did not wish to incur the expenditure for repairing it, and that is why they wanted to sell it to the government?—A. They were renting it to the Kent Northern railway, they were dealing with G. W. Robertson and the Kent Northern railway, and they sold it because they got full value for it.

Q. I want to call your attention to a letter, as long ago as 1906,

RICHIBUCTO, N.B., December 1, 1906.

To the Honourable

The Minister of Public Works.

Ottawa, Ont.

HONOURABLE SIR,—The municipality of Kent owns a wharf at Richibucto, which it would willingly sell to the federal authorities at a fair and reasonable price. A resolution to that effect was adopted at the last session of the municipal council of the county of Kent.

There is no public wharf owned by the Dominion government at Richibucto, which is the shire-town of the county of Kent and where an important shipping trade is carried on.

The municipal wharf is in a good state of repair and advantageously situated.

I remain, sir,

Your obedient servant,

(Sgd.) FERDINAND J. ROBIDOUX,  
*County Secretary.*

Are the statements in that letter true?—A. Oh, in part they are. That does not make the sawdust wharf worth \$5,000, though.

Q. I am not asking about the sawdust wharf.—A. That is my statement and it is down.

Q. If you will allow me to make a suggestion you do not help your case at all by making such statements?—A. It is not my case at all, it is your case.

Q. Then I will say you do not help your branch of it at all. I ask you if the statements in that letter of Mr. Robidoux are true or false?—A. Let me have the letter until I read it. (Letter handed to witness).

Q. Tell me if it is true or false, and if it is false in any respect tell me in what respect it is false?—A. (After reading letter.) That is all right, there is nothing wrong in that letter, Mr. Pugsley.

Q. Then the letter is true, is it?—A. Yes.

Q. Now, the difference between—

*By Mr. Blain:*

Q. Pardon me a moment; is the letter correct when it says there is a large shipping business done there?—A. There is not a large shipping business done there. I

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ship all the lumber that is shipped out of Richibucto myself and it is not a large shipping business by any means. I consider myself a very small shipper.

*By Mr. Crocket:*

Q. And there is ample wharf accommodation for your purpose.—A. There is more than I could use if my business were three times as large.

*By Hon. Mr. Pugsley:*

Q. That is all very well if the business is to be confined to you, but other people have a right to do business with Richibucto, have they not?—A. Most undoubtedly they have and we do not dispute that.

Q. Is there not a little difference between the property at Loggieville, which you and Mr. Montgomery bought, and this property in this respect; that the former property consisted of about only one acre and half and had no water frontage, whereas the latter property consists of eight acres, has some 400 feet frontage on the main street of the town, runs for a depth of 500 feet to the water, and has a frontage according to this plan of 730 feet, and a depth of some 18 feet under water?—A. There is that difference, yes.

*By Mr. Barker:*

Q. Name a government officer connected with the Public Works Department who was about Richibucto at the time and engaged in any way at all about this property?—A. Well, I have never known a dollar of Public Works money—

Q. You misunderstand me; who was the officer representing the Public Works Department who had anything to do with this transaction, was it Mr. Stead.—A. Mr. Stead is the resident engineer of the Department of Public Works, but Mr. Murray came to me—

Q. Just keep to the question. I only want to ask one or two questions. Did Mr. Stead know that you had been owner of this property?—A. Most undoubtedly he did.

Q. He knew that you had owned that property yourself? Did he make any inquiry, or did any person on behalf of the government ask you, what the value of that property was?—A. No person until I got a letter from Mr. Pugsley about the 8th December asking me about the value of the property.

Q. After the purchase?—A. After the purchase.

Q. By the government?—A. Mr. Pugsley wrote me after the purchase by the government regarding the value of the property. He marked the letter 'Confidential' but it is of an official nature and I am willing to read the letter.

Hon. Mr. PUGSLEY.—I have no objection at all to its being read.

WITNESS.—You have not the slightest objection?

Hon. Mr. PUGSLEY.—I have not the slightest objection.

WITNESS.—I have the letter in my pocket and if Mr. Pugsley does not object I will read it and also my answer.

Mr. CROCKET.—You say it is marked 'Confidential'?

WITNESS.—It is marked 'Confidential' but it is on public business, an official letter, and therefore I will read it. (Reads):

OFFICE OF THE MINISTER OF PUBLIC WORKS OF CANADA.

OTTAWA, December 2, 1908.

(Confidential)

DEAR Mr. O'LEARY :—My department has recently purchased from Mr. Thomas Murray a wharf property at Richibucto known as the 'Sawdust Wharf.' It contains



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a frontage of 570 feet, and joins the Municipal wharf. I purchased this with a view of making necessary improvements for the accommodation of vessels at Richibucto, and did it upon the report of Mr. Stead, the resident engineer, who stated that the price asked, namely \$5,000, was fair and reasonable, and that the wharf could not be built now for several times the amount asked; also that it contains about a million cubic feet of cribwork, slabs and mill refuse, ballast and gravel. He says 'Classing this all as filling—new cribwork faces being required—it would cost about 1½ cents per cubic foot or \$15,000—three times the price asked for the property.'

I have learned within a few days that this property was formerly owned by you, and have also been informed, whether reliably or not I do not know, that the value placed upon it by Mr. Stead is excessive. Before proceeding to improve the property, I should like to get as full information as possible with regard to its value, and would be obliged if you, as the former owner, would give me your opinion as to Mr. Stead's valuation.

(Sgd.) WM. PUGSLEY.

RICHARD O'LEARY, Esq.,  
Richibucto, N. B.

WITNESS.—My answer is as follows. (Reads):

RICHIBUCTO, N.B., December 7, 1909.

Hon. WM. PUGSLEY,  
Minister of Public Works, Ottawa, Ont.

My Dear Mr. PUGSLEY:—Your letter of the 2nd inst., received and same is very carefully noted. The property known as the 'Sawdust wharf' was sold by me to Mr. Murray for the sum of \$700 which I consider the full value of same. I had offered this wharf some time before; in fact before you became Minister of Public Works, to Mr. Waterbury, representing your department who came to me in *re* same for \$1,000 after which I sold lots therefrom \$300 so that the sale to Mr. Murray was practically the same as offered to Mr. Waterbury for your department. When Mr. Murray came to me to purchase this property, he came apparently acting as the agent of the Public Works Department and gave me to understand that he was buying the property for the government.

The day after he made the purchase Mr. Stead, resident engineer of your department went on and surveyed the property staking it out, &c. Of course, Mr. Stead did not come near me or mention anything about it. I was surprised when on the 4th of November I found that the deed had been recorded from Mr. Murray to the department at \$5,000.

I note that you have learned within the last few days that the property was formerly owned by me and that the value placed upon it by Mr. Stead is excessive. I can scarcely credit the fact that Mr. Stead ever put such a valuation upon it as \$5,000 let alone \$1,500 or how he could have made up his figures of 1½ cents per cubic foot as the value of mill refuse. However, that I have nothing to do with. I can simply repeat the statement that when I received \$700, I received full and entire value. Situated as I am at Richibucto, with large business interests, this property would actually be worth more to me than to any other person and if \$5,000 was paid for the property it was certainly a most exorbitant price.

Yours sincerely,

*By Hon. Mr. Pugsley:*

Q. You say that is a copy of the letter you sent?—A. It is a copy of my letter in answer to the one you sent me.

Q. Please look at this letter (producing letter) and say whether you ever sent it.



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Mr. BARKER.—Perhaps if you let me resume you can put your questions when I get through.

Hon. Mr. PUGSLEY.—Very well, I will ask my question later.

*By Mr. Barker:*

Q. Is Mr. Stead still in the service of the government?—A. Yes, sir.

Q. Before the purchase was completed by the government was there any inquiry so far as you know, as regards the value of that property?—A. No inquiry from me.

*By Hon. Mr. Pugsley:*

Q. Now, Mr. O'Leary, are you not mistaken in saying that the letter you read is a copy of the one you sent to me?—A. No, sir. My stenographer took that out of the letter-book for me.

Q. Is not the letter I showed you the original letter you sent to me? Now compare the two and tell me if one is a copy of the other?—A. I must have written you two, Mr. Pugsley.

Q. No, you did not write to me two.—A. This letter which my stenographer gave me was copied from the letter-book.

Q. Look at the letter which I showed you and see if it is not signed by you in your handwriting?—A. I will read this letter in case I have made any mistake.

Hon. Mr. PUGSLEY.—I would like you to follow the reading, Mr. Chairman.

The WITNESS.—My stenographer gave me the letter which I read as taken from the letter-book.

The CHAIRMAN.—What is the date of the letter produced by Mr. Pugsley as written to him by you?

The WITNESS.—The same date, December 7th. I will read it. (Reads)

RICHIBUCTO, December 7, 1908.

Hon. Wm. PUGSLEY,  
Minister of Public Works,  
Ottawa, Ont.

Dear Mr. PUGSLEY,—Your letter received and carefully noted.

With regard to the sawdust wharf property referred to in same, I would say that this property was sold by me to Mr. Murray—May 23rd—with the understanding that Mr. Murray was acting as agent for the Department of Public Works, at \$700. When the price was arranged between Mr. Murray and me, I felt that it was for the full market value. I had a short time before offered the property to the department through their Mr. Waterbury at \$1,000, since when I have sold three different lots at \$100 each leaving the property then standing as if the sale were made at \$700. When Mr. Murray broached me on the proposition, I told him that \$700 was the amount I wanted for the property, and on receipt of that amount would be prepared to give him a deed of it. A few days afterwards during which time Col. Tucker, ex-M.P., of St. John, had made a visit here, Mr. Murray called and paid me \$700 and asked me to have a deed made of the property, putting the amount of the deed at \$1,000 because of the expenses incurred by having, as he stated, a surveyor from St. John come to have the property laid out. The extreme value of the property outside of any expenses added, the same would be in my estimation, \$700 which amount I was satisfied to accept and did accept.

Yours sincerely,

(Sgd.) R. O'LEARY.

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The sense of the letter is practically the same, and I do not see how it is they do not agree.

The CHAIRMAN—They are certainly not copies.—A. They are not copies, but that is what my stenographer gave me, that is all I can swear to. I asked for a copy of the letter, and my stenographer gave me that copy I produced, I swear that the young lady in my office handed me that letter as a copy.

*By Hon. Mr. Pugsley:*

Q. Now, Mr. O'Leary, as you read it I noticed that there is a great deal more in this copy than there is in the letter which you sent me.—A. That appears to be about the same.

*By Mr. Crocket:*

Q. In reference to these letters I suppose you dictated the letter to your stenographer?—A. I dictated the letter to the stenographer.

Q. Do you remember whether you dictated two letters, one first and another later?—A. I evidently have, Mr. Crocket, that is quite evident.

Q. Is that your explanation?—A. That is my explanation of it. This is a matter to which I had devoted a certain amount of attention.

*By Hon. Mr. Pugsley:*

Q. Did you not swear yesterday, in answer to Mr. Crocket, that Mr. Murray did not tell you to whom he expected to dispose of the property?—A. I did, he did not tell me.

Q. Now, sir, he told you he was buying it for the department?—A. He did not.

Q. Then how came you to write me to this effect? 'with the understanding that Mr. Murray was acting agent of the Department of Public Works,' you say in your letter, 'with regard to the sawdust wharf property referred to in same, I would say that this property was sold by me to Mr. Murray—May 23rd—with the understanding that Mr. Murray was acting as agent of the Department of Public Works, at \$700.' How came you to write me to that effect?—A. Because there is not a dollar of money from the Public Works Department spent in that vicinity, be it on the wharf, the buildings, the sewer, digging, plumbing, roofing, mason work, or anything that is not done through Thos. O. Murray.

Q. Was that the only reason you had for making that statement to me in your letter?—A. It was, one of the reasons, and from Mr. Murray's conversations I knew then he wanted it for the department.

Q. Well, then, why did you swear yesterday you did not know?—A. I did not swear that I did not know Murray wanted it for the Public Works Department, that is not what I swore to, I said that Murray did not tell me so.

Q. Do you still adhere to the statement that he did not tell you so?—A. I adhere to the statement that he did not tell me so.

Q. Did you not say yesterday that when Murray came to you with regard to the property that you wanted to divide with him all that he received above the \$1,000.—A. Yes, I offered to give him the property and to divide with him all that he could get for it over \$1,000.

Q. Did you not say that he also told you that he wanted to buy the property himself?—A. That he wanted to make some money for himself, and wanted to buy the property outright.

*By Mr. Barker:*

Q. I think in reply to a question you stated that Mr. Stead is still in the service?—A. He is still in the service.

*By Mr. Reid (Grenville):*

Q. That is as far as you know?—A. As far as I know.

Witness discharged.

GEOFFREY STEAD, called, sworn and examined:

*By Mr. Crocket:*

Q. Mr. Stead, you are the resident engineer in the employ of the Public Works Department?—A. I am.

Q. How long have you been in the employ of the department as resident engineer?—A. Nearly six years.

Q. Where do you reside?—A. I have resided in Chatham for seven years.

Q. In Chatham, N.B.?—A. Yes.

Q. What district do you cover as resident engineer in the province of New Brunswick?—A. 300 miles of coast line. I have the five northern and eastern counties in New Brunswick, about 300 miles of coast line.

Q. That covers the county of Kent?—A. The county of Kent, yes.

Q. You were summoned here to produce all papers in connection with this Richibucto wharf purchase?—A. Yes.

Q. Just let me have the papers, will you, please?—A. (Handing envelope containing papers.) There are some other papers there that do not refer to this case.

Hon. Mr. PUGSLEY—You had better separate them and take out those that do not belong to this case, so that they will not get mixed.

Mr. CROCKET.—Yes, Mr. Stead, please separate them; there do not seem to be very many.

Q. Is that all you have?—A. That is all. The documents are not in order. Of course I will get them back again. They are from my files.

Q. Do you say, Mr. Stead, that this is all the papers you have in your possession in reference to this matter?—A. Yes, I went through the files very carefully and anything I found in connection with it at all I took out.

Q. Do the papers produced cover your letters to the department or Mr. Murray?—A. My letters to the department and to Mr. Murray and any one in connection with the case, and the letters from the department to myself.

Q. They are copies taken from your letter-book?—A. Well, we take carbon copies.

Q. Did you say that everything was there?—A. Everything is there, yes.

Q. Now, Mr. Stead, have you a record by which you can tell the committee where you were on different days of the year?—A. I have a record but I have not got it here.

Q. Are you able to tell me whether you were in Richibucto on the 19th May, 1908?—A. I could not tell you, but it is not unlikely that I was.

Q. I can tell you that you were.—A. Yes. I come to Richibucto quite often when there is contract work going on.

Q. That is a bill for travelling expenses of your own, is it not for the month of May. Just look at it. (Handing document to witness).—A. Yes that is my handwriting.

Q. Look at it and tell me if you were not in Richibucto on the 19th May?—A. Yes, there is a charge for hotel at Richibucto on the 19th May—19th May, hotel at Richibucto, and 20th May.

Q. You left Richibucto on 20th May?—A. Yes.

Q. And you left on the same train as Thomas Murray and George Robertson, did you not? Did you not go out to Kent junction with them?—A. It is not at all unlikely.



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Q. Do you not remember that meeting?—A. I do not remember anything about that particular meeting.

Q. You say you do not remember anything about that particular meeting?—A. That is perfectly correct. I came to Richibucto quite often and I cannot remember anything about that particular meeting. If I had my note-book here perhaps there might be something in it that would recall it to me.

Q. You cannot tell what took you to Richibucto?—A. The inspection, I imagine, of the contract work, which I visited every few weeks.

Q. Do not imagine, but tell us; you do not remember anything about that visit to Richibucto?—A. No, I do not.

Q. You say you do not remember anything about it?—A. I remember I was there several times during the year, but I do not remember anything about that particular visit.

Q. Having seen the expense account I showed you, you have no doubt whatever that you were in Richibucto on the 19th of May?—A. Yes, I certainly was.

Q. Do you remember talking with Mr. Murray in connection with this wharf at any time?—A. After I got orders to make the report I remember talking to him about it but not before.

Q. You remember talking to him after you got orders to make a report?—A. Yes.

Q. But you do not remember talking to him before?—A. No.

Q. Will you explain to me why it is you do not remember talking to him before making the report but you have a recollection of doing so after the report was made, will you say you did not talk to Mr. Murray on May 19?—A. My recollection is that I did not do it.

Q. Do you say that you did not talk to him?—A. Not that I remember.

Q. Will you swear, sir, that you did not talk to Mr. Murray on the 19th of May and that you did not have in your hands the deed that Murray got that day from O'Leary?—A. Well, certainly I have forgotten about it.

Q. Will you swear, sir, that you did not have in your hands the deed that Murray got from O'Leary on the 19th May and go to H. H. James' office to have the description altered?—A. I will swear that.

Q. You will swear what?—A. I will swear that I did not go to H. H. James' office on that date to have the description altered.

Q. To have the description altered?—A. Yes.

Q. You will not swear you did not have the deed in your hands?—A. I won't swear that, although I don't think I did.

Q. You don't think you did?—A. I would probably remember it if I had.

Q. Would you make a positive declaration as to not going to James' office?—A. On that date?

Q. You swear absolutely that you did not go?—A. Yes, to the best of my knowledge.

Q. You won't swear absolutely that you did not have the deed in your hands?—A. No.

Q. Do you remember going to Leblanc's hotel, and seeing Mr. James and Mr. Murray there?—A. No.

Q. With this deed and discussing the question of the description?—A. I discussed the subject of the description when the matter came up and I had orders to look into it.

Q. I am not asking you about that, Mr. Stead; I am asking you about this deed?—A. Yes.

Q. On the 19th of May you stayed at Leblanc's hotel, did you not?—A. I usually stayed at Leblanc's hotel.

Q. Then you stayed there that time?—A. Most likely I did, because it was about that time I did stay there.

Q. Now think, Mr. Stead?—A. Yes.

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Q. I want you to be very careful about this?—A. Yes, I understand.

Q. I want an answer to that question: Will you swear that you did not have that deed in your hands the day it was made and you did not consult with James and Murray about the alteration of the description so as to take in a little more land for government purposes?—A. I will swear that positively. I really did not know anything about it that I remember until I had the orders from the chief engineer. It is possible of course it may have been mentioned in the conversation, coming down in the train, but I do not remember it at all; its news to me.

Q. How is your memory ordinarily?—A. Well, it is only fair.

Q. Just fair?—A. Yes.

Q. Well that is all I can get from you in reference to that; you were at Richibucto, and you do not remember anything that occurred?—A. Well, if you want the truth, that is it.

Q. You have no recollection of what occurred; have you not told me you could not remember it?—A. I might make a number of trips to Richibucto and I make a couple of hundred trips in a year to the different works. I had forty works in progress last year and I cannot distinguish between the different trips. In this case and a good many cases if I had my note-book there might be something in it that would bring it to me.

Q. Did you have all this in your note-book?—A. No, there was nothing relative in my note-book except my survey notes.

Q. You said if you had your note-book you could tell me, but you did not bring your note-book?—A. That was altogether previous to this. I looked through the note-book, I looked through every record in the note-book to see if there was anything that would refer to it.

Q. You said a moment ago that if you had your note-book you could answer this question. Now you tell me you did not bring your note-book because it would not help you at all?—A. Because it was not relative, yes.

Q. Why did you not bring your note-book, you were asked to bring everything, were you not?—A. Yes, I was asked to bring everything.

Q. Why did you not bring your note-book?—A. Because everything is here. The description is here. I only had the survey and description in my note-book.

Q. You examined your note-book?—A. Yes. To be sure that I had got everything that would be necessary for the case.

Q. I want you to get the order from the department authorizing you to act in connection with this matter. See if that is it, Mr. Stead (handing document to witness)?—A. Yes, this is the letter.

Q. What is the date of that?—A. The date is the 27th of May.

Q. The 27th of May?—A. Yes.

Q. Now, the question is if you will swear that before the 27th of May you did not know that Mr. Murray had bought this property from O'Leary for \$700?—A. Yes, I will swear to that.

Q. You will swear to that?—A. Yes.

Q. Will you swear you did not know that a deed had been executed in which the consideration was \$1,000 before you got that letter?—A. I cannot swear to that.

Q. You cannot swear to that?—A. No, for I do not remember and I cannot swear to it.

Q. You do not remember?—A. No.

Q. But you will not swear to that?—A. No.

Q. Will you just read that letter. It is dated the 27th of May?—A. Yes. (Reads.)

Department of Public Works of Canada,

Chief Engineer's Office,

Ottawa, May 27th, 1908.

SIR,—I inclose herewith a memorandum from the Honourable the Minister, regarding increased wharf accommodation required at Richibucto as per attached

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letter of the Kent Northern railway. Kindly look into this matter and let me have a report thereon as soon as possible.

Yours obediently,

EUGENE D. LAFLEUR.

*Chief Engineer.*

GEOFFREY STEAD, Esq.,  
Resident Engineer,  
Chatham, N.B.

HON. MR. FIELDING.—What is the letter attached to it?

MR. CROCKET.—Attached to this is the letter of the Kent Northern railway which has already been read.

*By Mr. Crocket:*

Q. Having received that letter, what did you do?—A. I went to Richibucto.

Q. When?—A. It was within a couple of days, within three or four days.

Q. Are you not able to state the date?—A. No, I cannot state the date exactly.

Q. If you had brought your note-book you could have stated it?—A. Yes.

Q. But you did not bring your note-book?—A. No.

Q. Just look at that, Mr. Stead (document handed to witness) that is an offer addressed to you at Chatham by Thomas O. Murray to sell this property for \$5,000, dated on the 4th of June. Did you make your examination of this property before that?—A. Yes.

Q. You made it before the 4th of June?—A. Yes.

Q. And you had a conversation with Mr. Murray, had you not, in reference to his terms before the 4th of June?—A. Before or on the 4th of June, on the 4th of June probably.

Q. When you told me you made the examination before the 4th of June did you mean on the same day, earlier in the same day, or on the day previous to that?—A. It was probably on the 3rd and 4th I made the examination.

Q. It was on the 3rd and 4th?—A. I imagine it was, you will see from my expense account.

Q. You made it on the 2nd and 3rd, that is what you have charged here?—A. On the 2nd and 3rd it will be then.

Q. Now, before you got that letter then you had talked it over verbally with Thomas Murray, had you not?—A. Yes.

Q. And you were in Richibucto when you got that offer? Did he hand that to you or did he send it to you through the mail?—A. I rather think he handed it to me.

Q. He handed it to you right on the ground?—A. I think so.

Q. Now was \$5,000 the amount that he mentioned to you in the first place as the sum he wanted to get from the government or did he mention any other sum?—A. There was mention of ten thousand.

Q. There was mention of ten thousand?—A. Yes.

Q. By Murray?—A. Yes, I think so.

Q. He mentioned ten thousand first?—A. Yes.

Q. Did you hear Mr. Murray give evidence yesterday?—A. Yes.

Q. Did you hear Mr. Murray state that he never asked any more than five thousand?—A. Yes.

Q. Notwithstanding that you heard Mr. Murray swear to that yesterday, you swear to the contrary to-day?—A. Yes, I have recollection of having heard ten thousand mentioned.



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Q. Then you say that Mr. Murray was wrong in his statement?—A. Yes, I think so.

Q. You say that he asked ten thousand; was that his first figure?—A. Yes, his first figure as far as I know.

Q. You declare that do you; was there any talk of fifteen thousand?—A. No.

Q. Why did he write the minister that there was?

Hon. Mr. PUGSLEY.—He did not write to the minister that there was. Why do you say that he wrote to me to that effect?

*By Mr. Crocket:*

Q. Do you remember writing the minister a letter in connection with this matter?—A. Yes.

Q. I call your attention, Mr. Stead, to a letter which you wrote to the minister on the 21st January, 1909, in which you state (Reads):

‘\$15,000 was mentioned as the price, but I think not seriously. \$5,500 was asked and \$5,000 was the lowest figure I could get.’

Q. Now, how do you square that statement in your letter to the minister with the evidence you have given this morning?—A. That letter to the minister must be correct. That was written in January of this year, and I would not be so sure now as I was then.

Q. But you swore to me quite positively just a moment ago, did you not, that fifteen thousand was not mentioned, but that ten thousand was the sum?

Hon. Mr. PUGSLEY.—Mr. Chairman, he has given his answer. He says the letter was correct; it was fresh in his memory then.

The CHAIRMAN.—That is right, Mr. Crocket.

*By Mr. Crocket:*

Q. Do you now say that the letter is right and that the evidence you gave a moment ago was wrong?—A. There was no intention to deceive.

The CHAIRMAN.—He says the letter was right, I understand.

*By Mr. Crocket:*

Q. What do you say about the \$5,500?—A. That was spoken of when I asked for a lower price.

Q. Well, I want to know just what took place between you and Mr. Murray, how did this thing start as to prices? Did you ask him first what he wanted?—A. I presume that I did.

Q. Do you remember that you did?—A. I think I did.

Q. And having seen this letter to the minister you say that he said \$15,000; is that what you say?—A. Yes.

Q. Then how did he get down to the five thousand five hundred; that was quite a jump down was it not?—A. Yes. I would say that the first figure was not mentioned seriously.

Q. But you say that he mentioned it though?—A. Yes he mentioned it but I rather—

Q. What did you say when he mentioned \$15,000?—A. I said ‘I want your lowest price.’ or words to that effect.

Q. When he said fifteen thousand, you said ‘I want your lowest price.’ and then what did he say?—A. Well he said he could make it five thousand five hundred or something like that.

Q. There was a jump down from fifteen thousand to five thousand five hundred?—A. Yes.

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Q. And then you agreed did you at five thousand?—A. I had no authority to agree at any price.

Q. Well was there not an understanding between you and Murray that he was to give you an offer at five thousand before you got that letter?—A. I asked him for his offer for it, yes.

Q. And before you got the letter you knew he was to send you a written offer of five thousand dollars.

Hon. Mr. PUGSLEY.—The counsel is not quoting the letter correctly. The witness said he thought he handed him an offer in Richibucto.

The CHAIRMAN.—That is correct.

Mr. CROCKET.—But he said before he got the offer that he had a conversation.

Q. I ask you now if you did not know before you got that letter from Mr. Murray that you were to receive a written offer from him of five thousand dollars?—A. I asked him for a written offer of five thousand dollars.

Q. For five thousand dollars?—A. Yes.

Q. And he handed it to you in Richibucto?—A. So I believe.

Q. Now who authorized you, Mr. Stead, to negotiate for the purchase of this property from Mr. Murray?—A. The general instructions from the department are to get an offer.

Q. You are generally supposed to get an offer?—A. Yes, we do. I do in every case. I get the best offer I can in every case.

Q. You produced this letter of 27th March and all you were called upon therein to do was what?—A. 27th May. Yes, I was called upon to report.

Q. As to what?—A. As to the value of the property.

Q. As to the value of what property?—A. And the use. The wharf extension that was asked for in Richibucto.

Q. For the wharf extension that was asked for at Richibucto?—A. For the wharf extension that was asked for in Richibucto.

Q. You knew that referred to the sawdust wharf, did you not?—A. I knew when I went there.

Q. You knew when you went there that you were to make an examination and a report upon the sawdust wharf, did you not?—A. When I went to Richibucto I did. That is when I was there I did.

Q. And you knew when you went there that it was the sawdust wharf the purchase of which was contemplated?—A. I found it out when I got there.

Q. You did not know before you got there?—A. I do not know. It may be that I had asked about other property it was proposed to purchase in Richibucto.

Q. It may be that you asked before you went to Richibucto?—A. On receipt of the chief engineer's letter.

Q. You asked whom?—A. I would probably have telephoned—I would very likely have telephoned Mr. Robertson.

Q. You say that very likely you would have telephoned to Mr. Robertson?—A. Yes, on receipt of the letter.

Q. That is to George W. Robertson who was referred to yesterday?—A. Yes.

Q. And before you went to Richibucto you think you had a telephone conversation with George W. Robertson?—A. I don't say that I had, it is a probability.

Q. You suggested that?—A. Yes.

Q. You have no doubt, Mr. Stead, that you did?—A. I might just arrange to have him meet me, but I cannot say—

Q. Did you not charge for a telephone message to Richibucto in connection with this matter before you went there?—A. It will be seen if I did.

Q. Well, you suggested that you telephoned to Robertson?—A. Yes, it is probably a correct suggestion.

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Q. And Mr. Robertson then told you what you were to do?—A. He told me what was asked in Richibucto. It is just the same as any other——

Q. That is the man that went up to Ottawa with Mr. Murray and saw the minister here?—A. This George W. Robertson?

Q. Yes. Have you got any authority in writing, outside of what you produced here, authorizing you to negotiate for the purchase of this property?—A. No, I have nothing but the chief engineer's letter.

Q. Did you go there to make a report upon the increased wharf accommodation?—A. Yes.

Q. And you took upon yourself to negotiate for the sale, did you with Mr. Murray?—A. I did as I do——

Hon. Mr. PUGSLEY.—He did not say that at all. He said he thought it was his duty to get the lowest price.

An hon. MEMBER.—Order. The witness is being asked a question.

The WITNESS.—I did as I do in places where I am called upon to report upon a wharf or upon increased wharf accommodation.

Q. Do you say that in every case when called upon to report on a wharf you go and make a trade yourself off your own bat?

Hon. Mr. PUGSLEY.—I submit that is not a fair question.

The CHAIRMAN.—The witness has said already, a little while ago, that the general custom is to make inquiry, but he has never stated he had any authority to make a bargain.

Mr. CROCKET.—But he said, notwithstanding that, that it was his custom when he got instructions to do so.

The CHAIRMAN.—He did not say that.

Mr. CROCKET.—I am asking him if I understand that correctly?

A. It is not my custom to make a bargain at all.

*By Mr. Crocket:*

Q. Is it your custom to negotiate with the owners of property for the sale upon a written request from the department to report as to the necessity of wharf accommodation?—A. It is my custom to get an offer for the property in question if I can.

Q. Is it your duty to get the lowest possible offer?—A. It most certainly is.

Q. It most certainly is. Do you tell this committee that this \$5,000 was the lowest possible offer you could get from Thomas Murray?—A. It was.

Q. And you have told us all that took place between you?—A. Well, I asked him for information, general information, that is all that took place between us in regard to that matter.

Q. You knew this was Mr. O'Leary's property?—A. Yes.

Q. And that Mr. Murray had bought the property from Mr. O'Leary?—A. I saw it in the newspaper.

Q. What newspaper did you see it in?—A. In the *Richibucto Review*.

Q. Will you say that was published in the *Richibucto Review*?—A. Yes.

Q. You are certain as to that, you read it in the newspaper?—A. Yes.

Q. Was that the only information you had on it?—A. No.

Q. You knew as a matter of fact, when you went to Richibucto, that Mr. Murray had bought this property from Mr. O'Leary?—A. Yes.

Q. And you knew that the purchase price stated in the deed, did you not, was \$1,000?—A. I saw the consideration, yes.



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Q. Did you consult with Mr. O'Leary?—A. No.

Q. You knew that Mr. O'Leary was one of the largest property owners and had the largest business interests of perhaps any man in the county of Kent, did you not?—A. I do not know that he was in Richibucto at the time.

Q. I am not asking you that. You knew that, did you not?—A. Yes, I knew that.

Q. A man that would be more interested in the appreciation of property in Richibucto probably than any other man?—A. He does not appear to be.

Q. Do you think that he is not? Do you think that Mr. O'Leary is interested in depreciating the value of property in Richibucto?—A. He should not be, no.

Q. You did not go to Mr. O'Leary, did you?—A. No.

Q. Or speak to him about this property?—A. No.

Q. You met him on the street did you not?—A. I cannot say whether I did or not.

Q. You do not remember meeting him on the street?—A. I have met him a good many times.

Q. You used to call on Mr. O'Leary when in Richibucto?—A. Yes.

Q. You did not call on him that time?—A. No.

Q. Contrary to your custom, you went to Richibucto and went away again without calling on Mr. O'Leary.

Hon. Mr. PUGSLEY.—Are you asking a question or are you making an assertion, Mr. Crocket? You say, 'Contrary to your custom.' You had better let the witness make such statements.

*By Mr. Crocket:*

Q. You said you used to call on Mr. O'Leary when in Richibucto. This time you were there for how long?—A. 20 hours.

Q. You were there on two days?—A. Yes, parts of two days.

Q. And you did not call on him on that occasion?—A. No.

Q. Although you knew this had been his property?—A. Yes, but was he in town?

Q. And although you considered it was part of your duty to value it?—A. Yes.

Q. That is true. Now who told you? Did you not get the information from Mr. Murray himself as to what he had paid for this property and the deal that was on?—A. What do you mean by 'deal'?

Q. I mean as to this transaction?—A. Yes.

Q. You got this information from Mr. Murray himself?—A. Yes.

Q. Did you communicate that to the government?—A. No, I did not mention that.

Q. Did it strike you as an element that would have any influence at all in determining the value of the property?—A. I did not think it necessary.

Q. You knew it but did not think it necessary, and you therefore omitted that fact in your report to the department?—A. I gave no collateral facts in my report at all. You will see what I said.

Q. Yes, we have your report?—A. Have you read the report?

Q. I have the report here and I will call your attention to it. You said that you knew before you went to Richibucto about this sale which had been made?—A. No, I did not say that.

Hon. Mr. PUGSLEY.—He did not say before he went to Richibucto.

*By Mr. Crocket:*

Q. You knew it when you were making the survey?—A. Yes, I knew it when I was making the survey.

Q. You knew that the sale had been made within a few days?—A. I don't remember how long before. I saw the deed to get a description.

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Q. You saw the deed?—A. Yes.

Q. And notwithstanding that you did not report this to the department? On the 9th of June you reported to the department and I will read what you say. Afterwards I will ask you some questions about it. (Reads.)

‘9th June, 1908.

‘SIR.—As requested in your letter of the 27th May, I have looked into the matter of the wharf accommodation which has been asked for at Richibucto, Kent county, N.B.

‘On the 10th March, 1908, I reported on the proposed acquirement by the department of the municipal wharf at Richibucto.

‘It is now asked that the wharf known as the ‘sawdust wharf’ formerly used as a site for a saw-mill, which is situated immediately below the municipal wharf, be also acquired. Included with this wharf is the area in the rear which has a frontage on the Main street of about 443 feet and lies just opposite the lot already acquired by the government for the site of the new public building. The total length of the area measured parallel to the main street is 730 feet. The shallow pond lying between the municipal wharf and the sawdust wharf, formerly used as a timber pond in connection with the mill property is also included.

‘The area which the government is asked to acquire is 9 acres of land and land on the water, reaching to the channel, i.e. to about the face of the wharfs. 4 acres of this is land and wharf above high water line.

‘Including the 200 feet pier head of the municipal wharf, this would give a frontage on the river of about 775 feet.

‘It is looked upon as certain that the Kent and Northern railway will shortly be taken over by the government, and this land and wharf will furnish a very desirable and central site for the station, railway yards, and especially for an ample deep water terminus.

‘An offer to sell the wharf, water rights, and land area for \$5,000 is inclosed herewith.

‘While the outer faces of the wharf are gone to about low water level and new cribwork will be required there, the wharf forms a wide approach to deep water and could not be built now for several times the amount asked. Taking into account also the value of the frontage on the street and its central position, the price asked is reasonable.

‘A right of way through this land must shortly be bought by the government for a sewer for the public buildings.

‘The correspondence received with your letter and also a plan of the property are inclosed herewith.

‘Yours obediently,

‘(Sgd.) GEOFFREY STEAD,

‘Resident Engineer.’

‘L. D. LAFLEUR, Esq.,

Chief Engineer, D.P.W., Ottawa.

Now you state in this report that on the 10th March of the same year you had reported in the proposed acquirement by the department of the municipal wharf at Richibucto?—A. Yes.

Q. And I want you to refer to that report. Have you got that report with you there?—A. Yes, I put it among those other papers.

Q. I want to call your attention to some of the statements you made in that report?

Hon. Mr. PUGSLEY.—What is the date of that?

Mr. CROCKET.—The 10th March, 1908. (Reads.)

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'The municipality of Kent county built over 25 years ago a public wharf at Richibucto consisting of an approach  $443\frac{1}{2}$  feet long and 24 feet wide, a pier head about 115 feet long and 75 feet wide, and an extension to the pier head—'

Q. Is that  $21\frac{1}{2}$  feet or  $12\frac{1}{2}$  feet long, the extension of the pier head?—A.  $12\frac{1}{2}$  feet.

(Continue reading).

$121\frac{1}{2}$  feet long by 40 feet wide. The wharf is composed of cribwork with a floor of cedar poles covered with about one foot of ballast and surfaced with gravel, &c. There is about 13 feet of water at low water O.S.T. along the outer face deepening to 8 fathoms in the channel about 40 feet out from the wharf. The range of spring tides is 4 feet.

For some years the wharf has been leased to the Kent Northern railway and used for the import of coal and shipping lumber, tan bark, fish, &c., by rail.

The lumber shipments at Richibucto have varied in late years from about 2,150,000 f.b.m. to 11,200,000, which formerly went direct to England. A large part of this is now carried by rail to Ontario and also to St. John and Halifax for shipment from there by steamer. The lumber and tan bark—about 400 to 500 cords of the latter yearly—are brought to the wharf by scows and piled there until cars are available. The wharf has been repaired at various times, but it is beyond the means of the county council to keep it in proper repair and it is therefore becoming unsafe for traffic and especially for the engine of the Kent Northern railway. It is the only public wharf at Richibucto and is much used. It seems reasonable therefore for the department to take it over. In view of the very probable acquirement of the Kent Northern railway by the Intercolonial, which would then be obliged to own or lease the wharf, it would be a good investment for the government to secure it now on the present reasonable terms.

The wharf would also be used by the Department of Marine and Fisheries for storing their buoys for which the government have no present accommodation.'

Then you go into the contents of the wharf and you estimate that \$11,500 is the cost of putting it into proper condition. When you wrote that to the department on the 10th of March did you not have in your mind the fact that that wharf would meet all requirements, not only for the time, but for many years to come, and did you not have in view the acquisition by the government of the Kent Northern railway and give that as a reason why it might be advisable to buy the municipal wharf?—A. It is true, I have stated it there.

Q. That is what was in your mind, that that would provide all possible means of accommodation, having regard to the possible acquisition by the government of the Kent Northern railway?—A. That is not in the report, you are making that assertion.

Q. I am asking you whether it was not in your mind, we know it is not in the report? A. What is your question? That that wharf would provide all possible accommodation?

Q. All possible needed accommodation at that point, and that having regard to the future acquisition by the government of the Kent Northern railway, and the provision of yards and sites for station and all that.—A. That public wharf?

Q. Yes.—A. There is no room on that wharf for a site for a station, or for a siding even. I do not think that would provide for any possible future development at that point.

Q. Why did you mention the likelihood of the Kent Northern railway coming over to the government in this report, and the service that it would be?—A. In that report?

Q. Yes.—A. Because it was a matter of rumour that it probably would be taken over.

Q. And that largely influenced your judgment as appearing in this report, as to



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the need of the government taking over that wharf? Did it or did it not?—A. That was put as one of the reasons for the government taking over the wharf; there was nothing underhand about it at all, it was simply as stated there. These facts are perfectly correct and I do not know exactly what you mean by your question.

Q. You do not know what I mean?—A. Not exactly.

Q. Well, I have asked you and I will ask you again. If when you wrote that report you hadn't it in your mind that this municipal wharf, if it were taken over by the government and put in repair by an expenditure of \$11,500 upon it, that that would answer all the requirements of that place, not only the existing requirements, but the requirements after the government should take over the Kent Northern railway.—A. No, I hadn't it in my mind—

Q. You hadn't it in your mind?—A. Because I did not think—

Q. Did you not have it in your mind—

Hon. Mr. PUGSLEY.—Because what? What were you going to say, witness?

A. Because I did not think it would. Last summer there were a number of complaints about want of room there.

*By Mr. Crockett:*

Q. Last summer it was crowded with lumber. These repairs on the municipal wharf were going on last summer.—A. Perhaps it was the summer before.

Q. And they were going on the summer before were they not?—A. Yes.

Q. As soon as this transaction went through they were instructed to start day labour on the wharf, the municipal wharf?—A. The date the instructions were given will be found somewhere in the papers.

Q. Were you instructed to start repairs on the municipal wharf by day labour in the summer and autumn of 1908?—A. Yes.

Q. And Thomas O'Leary was placed in charge, was he not?

The CHAIRMAN.—Does that come properly under this inquiry? That is the municipal wharf which is the subject of another inquiry.

Mr. REID (Grenville).—You allowed the minister to bring up the municipal wharf a few minutes ago, and this is part and parcel of that.

Mr. CROCKET.—I think we have another inquiry in reference to the municipal wharf. However, that is all I am going to ask about it now.

*By Mr. Crockett:*

Q. That is true, is it not?—A. That is true.

Q. Did you have in your mind on the 10th of March when you made your report on the municipal wharf the acquirement of the sawdust wharf?—A. No.

Q. You did not; you never thought of it at all?—A. No.

Q. You say in your report of the 9th of June 'It is now asked that the wharf known as sawdust wharf formerly used as the site for a saw-mill be also acquired.' Who asked for it? What made you say, 'It is now asked?' By whom was it asked?—A. I understood it was a general request.

Q. Is that the only answer you have to give, that it was a general request?—A. That is the way I understood it.

Q. Did anybody ever request you?—A. Of course there is no doubt Mr. Murray must have asked me.

Q. Mr. Murray asked you?—A. Yes.

Q. And Mr. Robertson asked you?—A. I have no doubt he would.

Q. Any one else?—A. I think I saw Mr. Forbes.

Q. He is another Richibucto man?—A. Yes.

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Q Did he request it?—A. I presume he did.

Q Did Mr. Carter here request it?—A. I do not know whether I saw Mr. Carter or not.

Q When you made that statement in your report to the department, is that what you referred to, these requests from Mr. Murray, Mr. Robertson and Mr. Forbes?—A. Of course they are representative men in the place.

Q You did not have to look around very much when you got there to know what wharf it was expected you would report on?—A. No, usually I go to some of the representative men.

Q Now I want to call your attention to this statement:

‘It is looked upon as certain that the Kent Northern railway will shortly be taken over by the government—’

Hon. Mr. PUGSLEY—What are you reading from now?

Mr. CROCKET—The witness’ report of 9th June:

‘and this land and wharf will furnish a very desirable and central site for the station, railway yards and especially for an ample deep-water terminus.’

Was that a determining element in your mind as to the valuation of this property?—A. I put that in as to the use to which the wharf might be made.

Q You put that in as the use to which the wharf might be made?—A. Yes.

Q How far is the station from this wharf?—A. It is about a third of a mile to half a mile to the town.

Q It is only a block away from the wharf?—A. It is quite a distance, the station has rather a poor site.

Q You can look down from the station, can you not, and see this property?—A. There is a curve in the railway, I don’t think you can.

Q You do not think you can?—A. Oh, no, it is some distance back. The station is on a poor site.

Q Do you know that the station is in a hundred acre field?—A. I know that there are fields near the station or around the station.

Q Fields all around the station?—A. Yes.

Q Do you know that the hundred acre field changed hands for one hundred and twenty-five dollars?—A. No.

Q You don’t know that?—A. No.

Q When you were mentioning this about a station were you thinking of putting the station on this sawdust wharf?—A. Yes, I thought that would be the best site for it. I thought it would be worth a good deal to move it there.

Q That is a matter which would rather come under the Railway Department, would it not?—A. Certainly.

Q You had no concern with railway accommodation at all as resident engineer of the Public Works Department?—A. I lay stress more on the deep-water frontage.

Q The railway accommodation was none of your concern at all? You recognize that as resident engineer of the Public Works Department?—A. It would not be.

Q You had nothing to do with the railway accommodation at all, but still you put that forward as the reason for this purchase?

Hon. Mr. PUGSLEY—He did not use that as a reason. He said he laid more stress on the deep-water frontage.

Mr. CROCKET—One of the reasons I should have said. (To the witness): Now, I am going to call your attention to a couple of letters that passed between you and Mr. Pugsley, the Minister of Public Works.

Hon. Mr. PUGSLEY—Perhaps it is only fair to give the committee the correct version of this. There is a supplementary report of the 8th of August, which you have not put in, although it is among the papers in your possession.

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Mr. CROCKET—I have no objection to that going in, although it only consists of extracts from the report.

Hon. Mr. PUGSLEY—The witness goes further in reference to the matter. I think there is a little difference, is there not?. I think it would be well to put the supplementary railway report in so that the committee can see what the department had before it.

Mr. CROCKET—I have no objection. It contains a couple of extracts from his report.

Hon. Mr. PUGSLEY—There is something more.

Mr. CROCKET—I would put it in but I have not got it at hand just now.

Hon. Mr. PUGSLEY—The supplementary report is dated Chatham, N.B., 8th August, 1908. (Reads):

‘Sir,—In reply to your letter No. 4255 of the 4th August, in which you ask for a report on the value of an additional wharf property required at Richibucto, N.B., I give the following extract from my report on the property dated 9th June, 1908, and a copy of my note in further reference to the subject, dated 10th June, 1908.’

Then follows the quotation:

‘An offer to sell the wharf, water rights, and land area for \$5,000 is inclosed herewith.

‘While the outer faces of the wharf are gone to about low water level and new cribwork will be required there, the wharf forms a wide approach to deep water and could not be built now for several times the amount asked. Taking into account also the value of the frontage on the street and its central position, the price asked is reasonable.

‘A right of way through this land must shortly be bought by the government for a sewer for the public buildings.’

Then follows this letter:

‘COPY.

10th June, 1908.

‘SIR,—In my report of yesterday’s date, on Richibucto sawdust wharf—instead of saying that the wharf ‘could not be built now for several times the amount asked’ I might have stated more definitely that it contains about 1,000,000 cubic feet of cribwork, slabs and mill refuse, ballast and gravel. Classing this all as filling—new cribwork faces being required—it would cost about one and a half cent per cubic foot or \$15,000—three times the price asked for the property.

‘Yours obediently,

(Sgd.) GEOFFREY STEAD,

‘Resident Engineer,

‘E. D. LAFLEUR, Esq.,

‘Chief Engineer, Department Public Works,

‘Ottawa.

*By Mr. Crocket:*

Q. You stated in this report, Mr. Stead, that the outer faces of this wharf had been washed away down to the water level?—A. Yes that is—

Q. That is true is it not?—A. Yes, except there were a few timbers—there is quite a row of timbers, which is shown in the plan, which does project above the water



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level, above the outer faces but between there and the main part, the ballast has been washed out.

Q. Is that your statement, that the outer faces have been washed away down to low water level?—A. Yes.

Q. The outer faces of the wharf?—A. Yes.

Q. I am going to call your attention to some correspondence which passed between yourself and the Minister of Public Works in the month of January some seven months after your report had gone to the minister.—A. Yes.

Q. The letter is dated January 13, 1909. You recognize it do you not?—A. Yes.

Hon. Mr. PUGSLEY.—What is this letter?

Mr. CROCKET.—The letter written by yourself to Mr. Stead dated 13th January 1909, which reads as follows: (Reads)

January 13th, 1909.

DEAR SIR:—It has recently been brought to my notice that the wharf property at Richibucto purchased by my department for the sum of \$5,000 had been acquired by the then owner for a very much less amount. As the price which he paid for the property would under ordinary circumstances, be regarded as a fair criterion of its value, I should like you to furnish me with all information which you had regarding the property and its value, when you reported that the price of \$5,000 was fair and reasonable.

I would also remind you that in your report to the department you made no reference to any previous transfers. This is information which should be in the possession of the department, because it might, as you can readily understand, influence the judgment of the officials as well as that of the minister in determining upon the purchase. In the future, you will please keep this in mind, and report all previous transfers together with the consideration made within two or three years previous to your report, and also all other facts which might in any way afford information to the department as to the reasonableness of the price asked.

I am, yours truly,

(Sgd.) WM. PUGSLEY.

GEOFFREY STEAD, Esq., C.E.,

Resident Engineer, Public Works Department,  
Chatham, N.B.

Q. You received a letter from the minister of which that is a copy?—A. Yes.

Q. And that was your report to the department which went forward on the 10th of June, 1908?—A. The date is on it.

Q. Is this the only communication that passed between you and the minister in reference to this matter?—A. That is the only communication.

Q. Do you say that, Mr. Stead?

The CHAIRMAN.—What is the question?

Mr. CROCKET.—If this is the only communication that passed between him and the minister in reference to this wharf matter?

A. Well, I really think it was.

Q. Will you say that it was? That that is the only communication you had with the minister with reference to this wharf matter?—A. Well, that is the only time I wrote to him.

Q. It is the only time you wrote to him, you talked to him, did you not?—A. I possibly did before that date, but I would not be quite sure.

Q. And you had several conversations with him too, didn't you, before that date?—A. Yes, I certainly think I must have had.

Q. About this matter?—A. No.

Q. But you did say you had talked to him about this matter before then—

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Hon. Mr. PUGSLEY.—He did not say he talked to him about this matter. You asked him if he had seen the minister.

A. I have an answer to that which is much better. I had a talk with the minister about this matter about the end of January. That was the first talk I had with the minister on that matter.

Q. At the end of January?—A. Yes.

Q. Where did you talk with him at the end of January?—A. In Ottawa.

Q. Didn't you talk with the minister between the date of your report and the date of his letter about this wharf purchase?—A. It is pretty hard to say; I rather expected to—

Q. What is that?—A. I rather expected to have a chance to speak with the minister in St. John, I do not know whether it was in the winter or in the autumn, but the minister could not see me.

Q. Mr. Stead, you know my question?—A. Yes.

Q. Will you swear you did not talk to the minister about this matter between the 10th of June, 1908 and the month of January?—A. Yes, I swear I did not discuss the matter with him.

Q. You swear you did not discuss the matter with him?—A. Yes.

Q. That you did not have any talk with him about the matter at all?—A. Yes, I did not discuss the matter with him at all, I hadn't a chance to.

Q. And you never talked with him on the subject at all?—A. I did not have a chance to.

Q. You never got a chance? but answer the question, did you or did you not?

Hon. Mr. PUGSLEY.—You mean before the end of January?

Mr. CROCKET.—Before the 13th of January.

A. Well, really I do not know, but I have my diary here and I will see what time it was I was in St. John. I expected to have a talk with the minister in St. John. (Producing diary).

Q. Is that the note-book you were referring to at the beginning of your examination?—A. No, this is my diary, it is not a note-book. (Refers to diary). No, I do not see it, it was not this year I was in St. John.

Q. It was not this year you were in St. John?—A. No.

Q. It was last year you were in St. John?—A. Last year.

Q. So that the conference, if you had one, was before the 18th of January last?

Hon. Mr. PUGSLEY.—He did not say that at all.

*By Mr. Crocket:*

Q. Is not that right?—A. There was no conversation, of course, not before the 13th of January.

Q. Say something, Mr. Stead, one way or the other. Are you going to say that you did or that you did not?—A. There is one thing, I expected to see the minister in St. John, and I did see the minister at St. John in his office, but there were a number of people waiting to see him and he could not see me, and he asked me to see him in January; I was not in his office a second, and he asked me to see him at his office in Ottawa.

Q. And you went to see him in reference to that wharf matter?—A. That was one of the matters I was to have spoken to him about if I had a chance.

Q. What date was that?—A. I do not know what date it was.

Q. You do not know that date?—A. No.

Q. You have your diary there?—A. It is this year's diary.

Q. If you had brought last year's diary you could have told us?—A. I think it was at Christmas.

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Q. Was that in the note-book you left at home too?—A. No.

Q. You neither brought your note-book nor your diary?—A. No.

Q. You notice the minister's statement there, 'as the price paid for the property would, under ordinary circumstances be regarded as a fair criterion of its value, I would like you to furnish me with the information.' Now, did the minister ever ask you, or did anybody from the department ever ask you for the prices paid on the previous transfers?—A. No, not previous to that letter.

Q. But they asked you upwards of seven months afterwards. Now then, you answered that letter?—A. Yes.

Q. Under the date of January 21, 1909. And in that letter you say:

'In the case of this property the previous transfer appeared to be a matter of common knowledge. I saw a notice of it in a newspaper and presumed that it was published in the legal records and supposed you would have heard of it, otherwise I would have mentioned it.'

Q. Is that statement true?—A. Yes.

Q. That you thought the minister knew of it and that was the reason you did not report to him?—A. That statement is true.

*By Hon. Mr. Pugsley:*

Q. In addition to your report of the 10th of June, I think you made a further report on this property in August, a short supplementary report in reference to it?—A. Yes.

Q. So that we have—I will just call your attention to the fact—three reports in which you speak first of the municipal wharf, this was referred to you and you had reported on that on the 10th of March, 1908—A. The 10th of March, 1908.

Q. Then when you made, under orders from the chief engineer, dated 27th of May, 1908, a report regarding increased wharf accommodation at Richibucto, I presume you would know that they referred to additional property?—A. Yes.

Q. In addition to the municipal wharf, because you had already reported upon that?—A. Yes.

Q. And there is in evidence your report of the 9th of June, then on the 10th of June, the next day, did you not write to the secretary of the department as follows:

DEPARTMENT OF PUBLIC WORKS, CANADA,

RESIDENT ENGINEER'S OFFICE,

CHATHAM, N.B., 10th June, 1908.

SIR,—I inclose herewith an additional note to my report to the chief engineer of yesterday's date *re* sawdust wharf property at Richibucto, N.B.

I am, sir,

Yours obediently,

GEOFFREY STEAD,

*Resident Engineer.*

FRED GELINAS, Esq.,

Secretary, Department of Public Works, Ottawa.

With this the following short report was inclosed:

RICHIBUCTO, June 10, 1908.

SIR,—In my report of yesterday's date on Richibucto—'sawdust wharf'—instead of saying the wharf 'could not be built now for several times the amount asked,' I might have stated more definitely that it contains about 1,000,000 cubic feet of cribwork, slabs and mill refuse, ballast and gravel. Classing this all as filling—new



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cribwork faces being required—it would cost about  $1\frac{1}{2}$  cents per cubic foot or \$15,000—three times the price asked for the property.

Yours obediently,

GEOFFREY STEAD,

*Resident Engineer.*

E. D. LAFLEUR, ESQ.,

Chief Engineer, Department Public Works, Ottawa.

Q. So that the filling in would cost fifteen thousand dollars, three times the price asked for the property?—A. Yes.

Q. Then on the 8th of August you wrote again and made a reference to both of those reports?—A. Both of those reports.

Q. The one of June 9th and the other of June 10th. Now I want you to tell the committee in the first place what was the size of this property and the condition in which it is, or was when you made your report?—A. If I had a plan it would freshen my memory. (Plan produced). It has a frontage of 370 feet on the street.

Q. Is that the main street of the town?—A. That is the main street of the town of Richibucto, in a fairly central locality. The property according to my survey has a width of 570 feet on the river front; according to the deed it has a width of something over 700 feet.

Q. By your survey its water frontage on the Richibucto river is 570 feet.—A. 570 feet. Its depth is about 600 feet—595 feet.

Q. That is the depth between the main street and the water frontage?—A. The main street and the channel.

Q. How many acres does it contain in all?—A. 7.88 acres, nearly 8 acres.

Q. Did you examine the property to see what remains of the wharf whether—  
A. Yes.

Q. Just describe to the committee in what condition it was?—A. The main parts of the wharf is old cribwork which has been I suppose used in connection with a mill and was built up as a wharf gradually. It is covered with mill refuse, part of which is edgings, and part of which is sawdust. On the outside face it is covered with ballast, gravel and ballast from vessels. Outside the outside face the water drops off very quickly to about fifteen—thirteen to eighteen feet, about that.

Q. At low tide?—A. I should think it would be—well not quite at low tide. The tide is very little there. It would be about seventeen feet at low tide in front of the wharf.

Q. At low tide in front of the wharf?—A. Yes.

Q. Now you speak in your report of the . You say among other things: 'The right of way through this land must shortly be bought by the government for a sewer for the public buildings.' I understood that there was a sewer that had been paid for there?—A. Yes.

Q. Was it necessary to get additional right of way?—A. That sewer was defective.

Q. And that could not be got except by consent of the owner of the property?—  
A. By the consent of the owner.

Q. Is that what you meant by the right of way?—A. That is what I meant.

Q. Now you state in your supplementary report of the 10th of June, 'I might have stated more definitely that it contains about 1,000,000 cubic feet of cribwork, slabs, and mill refuse, ballast and gravel. Classing this all as filling—new cribwork faces being required—it would cost about  $1\frac{1}{2}$  cents per cubic foot, or \$15,000. Do you say under oath here to-day that that is a correct statement in your judgment?—A. That is a conservative statement.

Q. How do you estimate there would be a million cubic feet of material in the wharf; did you estimate that by taking actual measurements?—A. I estimated that by actual measurements on the plans.

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Q. So you are prepared to say—A. There would be that, yes.

Q. At least that quantity of material there?—A. Yes.

Q. Of what value would that be to the government in improving this property and making it suitable for public business, would that be valuable material?—A. It would all be valuable material. It would cost, probably, a good deal more if they built the wharf face but it would cost quite that to fill it in.

Q. Were there evidence of the cribwork on the wharf when you examined it?—A. Yes there were evidences of timber work, the timber work was there. We got out on it to make our measurements both on the front and on the side.

Q. What kind of ballast was it you saw there, gravel or stone?—A. Gravel and ballast.

Q. That would be ballast, that would be thrown out of vessels coming there I suppose, deposited there?—A. Yes.

Q. And all that you say is valuable material for the wharf?—A. All valuable material.

Q. Now, Mr. Stead, Mr. Crockett asked you in regard to the municipal wharf but you did not think that would give all the necessary accommodation for the railway?—A. No.

Q. There is a railway track down upon that wharf?—A. There is a railway track upon the wharf.

Q. Is there any room upon that for any sidings? A. No. The railway runs square to the end, runs right to the end of the wharf, and a vessel with coal or anything like that can come in only opposite the end of the railway so that it is opposite the car door.

Q. Now so far as accommodation to the railway and to the public in connection with business, coming by railway or going away by railway, by the wharf, what would be the advantage of extending the wharf along the line of the outside property which the government has acquired?—A. It would give a chance to put in a siding running parallel with the other face of the wharf. There is none at present only parallel with the side of the wharf.

Q. Would that be a very great advantage from the standpoint of convenience in doing business?—A. I have heard a great many complaints about the difficulty of unloading coal at that wharf. Last year when the wharf was under repair a man was at me I don't know how many times to get, if possible, to unload a cargo. He had at least 600 tons of coal he said, but he could not do it.

Q. About 600 tons of coal?—A. Yes.

Q. That one man had?—A. Yes, in Nova Scotia.

Q. To hear these gentlemen talk you would imagine there was no business there and yet here is the case of a man who wanted to handle all this coal there last year?—A. He was trying to get a chance to do it.

Q. Great inconvenience is caused by reason of the end of the track simply going down to the side of the wharf?—A. Yes.

Q. And you say that cannot be obviated except by extending the track?—A. Except by an extension.

Q. And utilizing parts of this additional property which the government has acquired?—A. Yes.

Q. From the standpoint of public business it would be of very great advantage, or would it not, to have that sawdust wharf improved and made a part of the wharf that the government has acquired from the municipality? A. Yes I consider it would be a great advantage to the public. I consider it would give a chance to do more business in the town than is done now.

Q. The firm of A. & R. Loggie were spoken of yesterday by Mr. Murray as having requested him to cancel his offer to the department to sell his property for \$5,000 and to give their firm an opportunity to buy. Let me ask you that he has as a location for the large business which A. & R. Loggie are carrying on, how would

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this property, with deep water, frontage, and close to the railway compare with that which they have at present in Richibucto?—A. I think it would be more suitable because they have not a sufficient depth of water at their place. They have not a good depth of water at their wharf.

Q. Mr. Murray himself says they have not over eight or nine feet of water whereas you say there is some eighteen feet of water at this property?—A. Yes at ordinary high tide.

By. Mr. HUGHES.—What property?

A. The sawdust property.

Mr. HUGHES.—Mr. Murray did not say there was only eight or nine feet of water.

Hon. Mr. PUGSLEY.—At the Loggie wharf.

Q. You say this property is one which in your judgment it would be desirable for the Messrs. Loggie to have?—A. Yes.

Q. Now, Mr. Stead, let me ask you this: Did you ever, prior to your coming to Ottawa in January, 1909, have any conversation with me in regard to this sawdust property that you recollect?—A. No, I had no conversation with you.

Q. So my letter to you of the 13th January, 1909 is the first communication, either verbal or written, you had from me on the subject?—A. The first communication.

Q. Your previous communication had been those directions you have spoken of already from the chief engineer?—A. The chief engineer.

Q. The first communication from me was on the 13th of January, 1909. In reply to my request for information did you write as follows:

‘DEPARTMENT OF PUBLIC WORKS,

‘RESIDENT ENGINEER’S OFFICE,

‘CHATHAM, N.B., 21st January, 1909.

‘DEAR SIR.—I beg to acknowledge receipt of your letter of the 13th instant, and to say that I very much regret not having mentioned in my report of the 9th June, 1908 the previous transfer of the wharf property at Richibucto lately acquired by the department, and I will carefully observe your instructions in this respect in future.

‘In the case of this property the previous transfer appeared to be a matter of common knowledge. I saw a notice of it in a newspaper and presumed that it was published in the legal records and supposed you would have heard of it, otherwise I would have mentioned it.

‘The consideration mentioned was \$1,000, but I do not know what the actual amount paid was. In the case of my small property at Chatham, if I had known at the time that it was a usual thing to do, I would have saved myself \$10 or \$20 yearly in taxes by making the consideration in the deed a nominal figure.

‘Will you pardon me in saying that in many cases I do not consider that the price paid can be taken as a fair criterion of the value of the property.

‘In Richibucto properties have been bought which immediately after and continuously since their purchase have yielded thirty-three per cent of the price annually in rent, showing that they must have been worth at least three times the price paid.’

Q. If I might interject a remark Mr. O’Leary’s efforts to bear property in Richibucto seem to have been altogether unsuccessful. It is a fact that you do know of property in Richibucto that has brought in a revenue of as much as thirty-three per cent of the price paid?—A. Yes, I was told by a reliable person that he had made it.



## APPENDIX No. 2

Q. (Continues reading):

'The fact is that the former owner had sufficient wharfs for his own use in the neighbourhood of his store, warehouses, &c., and the wharf property in question was there practically useless to him.'

Q. Is that true, that he had wharfs for his own business?—A. Yes.

Q. (Continues reading):

'Even so, I heard many expressions of surprise that he had sold it and especially at the above supposed price, and a Buctouche merchant said he would gladly have bought it if he had known it could be had.'

Q. Is that true, that a Buctouche merchant said he would gladly have bought it if he had known it could be had?—A. Yes.

Q. (Continues reading):

'No such property could be bought in Chatham, Loggieville, or Buctouche for \$10,000, or even more.'

Q. Is that true?—That is true, as far as I can learn.

Q. (Continues reading):

'A small lot with sixty feet frontage just opposite the wharf brought \$400 and a small corner lot also just opposite was held at \$700. The lot on which the government building stands, with a frontage of 230 feet, which faces the wharf, was bought for \$1,200. At this rate the value of the frontage of the property on the main street would be about \$2,000. The former owner, however, sold adjacent lots to his brother for about \$1 per foot and to one of his employees at the same rate—the last lot he afterwards bought back again. At \$1 per foot the street frontage of the wharf property would be worth about \$400. As the land value was difficult to determine I simply mentioned it in my report as an increment to the chief value of the property, that is as a wharf.'

'A wharf must reach deep water to be of general use. Where deep water is close to the shore the expense of the approach will be slight. At Richibucto the channel is about 500 to 550 feet from the shore, an approach twenty feet wide of this length, which would ordinarily be built of cribwork at seven cents per cubic foot, would cost about \$7,000. The wharf property in question, however, furnishes an approach to deep water about 250 feet wide at the outer end and 450 feet wide at the shore. At the very low value of one and a half cents per cubic foot, which would be the cost of the cheapest filling material, the approach would cost \$15,000. If valued at the usual price of stone ballast it would cost about four cents per cubic foot, or \$40,000. This large area, together with the shallow pond included in the property, will furnish not only convenient and ample accommodation for a railway wharf with a possible river frontage of about 500 feet, but also for a station, railway yard, engine house and general terminal facilities, and lies in a central part of the town. The present terminus of the Kent Northern railway is in the rear of the town and rather out of the way. The area is very limited and will accommodate two engines and about nineteen freight cars, but with no room for expansion; and should the Kent Northern railway be acquired by the government, great benefit will, I believe, result to the railway and to the town by removing the terminals to the wharf property. This property also offers the only way to extend the railway along the remainder of the wharfs and river front. A short time ago two of the principal firms had a survey made at their own expense for a track from the Kent Northern railway to reach their wharfs, freezers and stores and a saw-mill belonging to one of the firms. For this track a right of way would be required across the property.'

'From these considerations I have stated that the price asked was reasonable and this view is upheld by several disinterested parties from Buctouche, Chatham, &c., who know the property and the value of wharf property generally.'

'\$15,000 was mentioned as the price but I think not seriously. \$5,000 was asked and \$5,000 was the lowest figure I could get. I was of course not empowered to make

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any cash offer as is often done to get a better bargain, and I had in my mind when making my report the great expense of arbitration proceedings and also the case of the Shives' wharf property in Campbellton.

'The Richibucto property is considerably more extensive than the Shives' wharf, though in a worse state of repair, but both wharfs required new faces. Allowance must, however, be made for the greater population—roughly about double—and much more extensive shipping of Campbellton. The Shives' wharf was bought in 1890 for \$1,700 and was offered to the department in 1895 for \$8,000. Mr. Shewen then valued the wharf at \$5,335, the value being placed on the cubic contents similarly to the method in my report. Mr. Shewen's figures were, however,  $2\frac{1}{2}$  cents per cubic foot, or 67 per cent higher than my valuation, though prices of wharf material have increased very largely since 1895. Between 1890 and 1895 the owner had added about 20 per cent to the contents of the wharf which being deducted leaves Mr. Shewen's valuation \$4,268 against \$1,700, the cost price.

'Mr. Day in 1903 estimated that the Shives' wharf could be built now for about \$14,000 and in 1902-3 the wharf and small water front area connected with it were acquired by the department at a cost of \$35,000, to which expropriation proceedings added an additional cost of \$2,180.71.

'I am, dear sir,

'Yours faithfully,

GEOFFREY STEAD,

'Resident Engineer.'

'The Hon. WM. PUGSLEY,  
Minister of Public Works,  
Ottawa.'

Q. Now Mr. Stead, in giving carefully these reasons which influenced you in declaring that the \$5,000 was a fair and reasonable price for the property, had you all those considerations in your mind?—A. I had those considerations in my mind.

Q. And in your judgment \$5,000 was a fair and reasonable price, was it?—A. It was a reasonable price, looking at it from an engineer's standpoint.

Q. You speak here of the fact that this wharf property furnishes an approach—

An hon. MEMBER.—One o'clock.

Hon. Mr. PUGSLEY.—I am willing to postpone the further examination of this witness until to-morrow, but I would like that a subpoena be issued for the attendance of Mr. Andrew Loggie, whose name has been mentioned here. I think the members of the committee would feel, as I do, that Mr. Loggie should be called as a witness. I think perhaps he had better be summoned after the holidays, so long as it is understood now that he will be called.

The CHAIRMAN.—It is understood that Mr. Loggie will be summoned to appear after the Christmas holidays.

Committee adjourned.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, January 19, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee proceeded to the further consideration of a payment of \$5,000 to Thomas O. Murray in connection with the purchase of sawdust wharf at Richibucto.

Mr. GEOFFREY STEAD, recalled:

*By Hon. Wm. Pugsley:*

Q. Have you seen Mr. Andrew Loggie lately, Mr. Stead?—A. I saw him a week ago, Mr. Pugsley.

Q. I have received this telegram from him:

DALHOUSIE, N.B., Jany. 18, '10.

Hon. WM. PUGSLEY,  
Ottawa, Ont.

Regret I am unable to be present at Ottawa, 19th, being confined to house for some time with bronchitis and asthma returning summons with doctor's certificate will wire you fully to-day.

ANDREW LOGGIE.

Q. What condition was Mr. Loggie in when you saw him?—A. He was suffering very much from asthma at the time.

Hon. Mr. PUGSLEY—I will place that telegram on file.

*By Hon. Mr. Pugsley:*

Q. Now, Mr. Stead, when you were last upon the witness stand I called your attention to a letter which I had written to you on the 13th of January, 1909, and your reply of 21st January, 1909. Did you write me another letter after that? I believe we have it in the evidence which you gave that you did. I would ask Mr. Howe if he would produce that letter of February 6th inclosing a letter from A. & R. Loggie?—A. Yes, I wrote it.

Q. Will you just look at that letter (document handed to witness) and tell me if that is the letter you sent to me on or about the 6th of February?—A. Yes, it is, Mr. Pugsley, inclosing the letter of A. & R. Loggie in reference to the wharf.

Q. I will just read that letter. (Reads.)

DEPARTMENT OF PUBLIC WORKS, CANADA,

RESIDENT ENGINEER'S OFFICE,

CHATHAM, N.B., 6th Feb'y, 1909.

DEAR SIR,—In further reference to the wharf property lately acquired by the department at Richibucto, N.B., on which I reported to you on the 21st January, 1909, I beg to say that I wrote to Messrs. A. & R. Loggie, who are well known as being one of the largest and most reliable firms in New Brunswick, and who from their business interests in Richibucto have a good knowledge of land and wharf values there, asking their opinion on the value of the department's recent purchase. In reply I received a letter, which I now inclose, stating that they



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certainly would not have sold the property for \$5,000, the price paid by the department, as they considered it good value at a much higher price.

Since making my report of the 21st January, I have had further information in regard to the prices of land at Richibucto. Would you therefore kindly substitute the following for the second paragraph on page 2 of the report where some changes should be made.

A small lot with 66 feet frontage, just opposite the wharf, brought \$400; another adjacent to the wharf, with 44 feet frontage, \$300, and a small corner lot also just opposite was held at \$700. The lot on which the government building stands, with a frontage of 230 feet, which faces the wharf, was bought for \$800.

An adjacent lot with 40 feet frontage was sold by the former owner of the wharf property for \$100, and afterwards bought back again. At these prices the value of the street frontage of the wharf property varies from about \$950 to \$2,600. As the land value was difficult to determine I simply mentioned it in my report as an increment to the chief value of the property i.e., as a wharf.

I am, dear sir,

Yours faithfully,

(Sgd.) GEOFFREY STEAD,

*Resident Engineer.*

The Hon. WILLIAM PUGSLEY,  
Minister of Public Works,  
Ottawa.'

The letter attached to that is as follows:

'RICHIBUCTO, N.B., CANADA, Jany. 12, 1909.

Mr. GEOFFREY STEAD,  
Chatham, N.B.

DEAR SIR,—Yours of January 6th to hand and contents noted.

In reference to the price paid by the government for the sawdust wharf at Richibucto, which we understand was \$5,000, we think that the government got this wharf at a bargain. We think a wharf of the size it is and in the location so suitable at the terminus of the railway to be used as a site for a railway station and yard room, and for railway tracks, and a shipping point for vessels to land and take cargo from the railway, that it is a good bargain and that the government got real good value for the price paid for this wharf. We think that it was a very important thing for the government to secure this wharf at the price paid as we know of no other wharf located so suitably for the uses of the railroad.

We would say if we had owned the wharf, we certainly would not have sold it for \$5,000 as we would consider it good value at a much higher price than the government paid for it.

Yours respectfully,

(Sgd.) A. & R. LOGGIE.'

The original letter is here attached. Do you know that the firm of A. & R. Loggie do a large business in various parts of the lower provinces and Quebec?—A. They do a very large business.

Q. And they are a firm that are doing business in Richibucto?—A. At Richibucto, at Loggieville, at Tracadie and at Dalhousie, those are the principal points in New Brunswick. There are a number of points in Quebec and also in the United States at which they do business.

Q. By the way, before you reported as to the value of this property and certified that \$5,000 was a fair and reasonable price did you confer with any persons with regard to its value?—A. I spoke, in addition to the other men I referred to, to George Watt in Chatham, before sending in my report.

## APPENDIX No. 2

Q. Is he a man who has a knowledge of the values of wharf property?—A. He has built them and has owned them and has been interested in them all his life; he has had a good many transactions in them and he said that it was well worth the price that was asked for it. He gave me a letter not long ago to that effect.

Q. And that was his opinion, and you had confidence in his judgment, do I understand you to say that?—A. I had confidence in his judgment.

Q. You speak in your report, Mr. Stead, of the Shives wharf property which was expropriated by the government. When that was acquired was that a somewhat similar property to this?—A. It was, in a way; that wharf was built of rubbish, they say that the man who built it floated the trees down the river at high tide, he built it himself without any assistance, floating the trees into their place and so built the wharf up in that way.

Q. Was there any considerable ballast in the interior of that wharf the same as there was in this sawdust wharf?—A. I think it was ballasted with rubbish, all kinds of material.

Q. I see you say in your report that the Shives wharf was bought in 1890 for \$1,700 and was offered to the department in 1895 for \$3,000; and you say that it cost the department \$35,000?—A. Besides the cost of the expropriation proceedings.

Q. Was that payment made in the Exchequer Court or through the Exchequer Court?—A. I believe so.

Q. Do you remember as to whether or not the Exchequer Court engaged appraisers to value the property?—A. Yes.

Q. Who were the appraisers?—A. Mr. W. H. Thorne was one, Mr. Geo. McLeod was another, and I do not remember the name of the third.

Q. And they valued the property at \$35,000 which the government paid?—A. They valued it in very much the same manner as I valued this wharf, except that they valued the price of the cubic contents at 5 or 6 cents a foot, and I valued this at 1½ cents a foot.

Q. Was that a very low valuation in your judgment?—A. My valuation was a very safe one, in my estimation.

Q. And you say there were over a million feet in the wharf?—A. About the Shives wharf there is one point that might be noticed, it was supposed to have a good face when the government bought it, of course it looked better from the river on that account than the sawdust wharf does, because the sawdust wharf has not a good face above water, but the government were at the expense of probably \$500 in removing the old material on that wharf before they could build up a proper face, they have a good face on the wharf now.

Q. How does the area for the Shives wharf for which \$35,000 was allowed by the Exchequer Court compare with the area of this sawdust wharf property?—A. I believe there is half an acre in the Shives wharf, roughly from memory.

Q. Half an acre as against?—A. About 8 acres in this.

Q. Are there not more than 8 acres in this sawdust wharf property, taking the description given in the deed?—A. Taking the description given in the deed there will be nearly 10 acres.

Q. So that taking the Shives property, for which the arbitrators allowed \$35,000, as against 8 acres, or 10 acres as it is given in the description of the deed for this sawdust property, it has an area of half an acre?—A. Yes.

Q. Now, you mention in your evidence that what was called the municipal wharf was purchased by the government for \$1,500, which you reported to be a fair and reasonable price. So far as the intrinsic value of the municipal wharf and this sawdust wharf property is concerned, taking it acre for acre, how would they compare?—A. I forget the acreage of the municipal wharf, but it is there somewhere.

Q. Well, what is its frontage?—A. It would be about 200 feet.

Q. Its frontage would be a little more than one-quarter the frontage of the sawdust property?—A. Yes.

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Q. But taking it foot for foot, how do they compare in value?—A. They would compare very nearly.

Q. About the same?—A. About the same in value.

Q. The municipal wharf having a frontage of 200 feet was bought for \$1,500, which you thought a fair and reasonable price, and this property has a frontage of 730 feet?—A. Yes, there is that difference between them.

Q. Now, Mr. O'Leary swore when he was upon the stand that some years ago he offered this whole property to the government for \$1,000. He says he made a verbal offer and that it was made to Mr. Waterbury. Do you know Mr. O'Leary's writing?—A. I think not.

Have you seen his writing?—A. I have seen it, I saw his writing yesterday, I remember now.

Q. (Producing document.) You believe that to be his handwriting?—A. Yes.

Q. I propose reading this letter. (Reads):

R. O'LEARY.

MANUFACTURER OF LUMBER,  
EXPORTER OF CANNED LOBSTERS AND FRESH FISH.

RICHIBUCTO, N.B., April 22, 1904.

D. H. WATERBURY, Esq.,  
Richibucto, N.B.

DEAR SIR,—With further reference of your conversation in *re* land opposite the public building in Richibucto, I will sell the whole lot on the eastern side of Water st., the full width of the present lot owned by the government, i.e., 227 feet in width and running back to the channel 625 feet for one thousand dollars (\$1,000). Or I will sell the 227 feet on the street running back to a depth of 100 feet for five hundred dollars (\$500).

Yours truly,

(Sgd.) R. O'LEARY.

P.S.—Or I will sell a piece 50 feet by 100 feet opposite the public building—where the sewer now is for two hundred and fifty dollars.

R. O'L.

Now, Mr. Stead, I want you to show me on this plan, which you have prepared what would be the areas respectively which Mr. O'Leary offers to sell to the government.

Mr. CROCKET.—Was that letter got from the files of the department?

Hon. Mr. PUGSLEY.—It was got from Mr. Waterbury.

Mr. CROCKET.—That is the inspector of buildings at St. John.

Hon. Mr. PUGSLEY.—Yes. (Plan handed to witness.)—A. The sawdust wharf property as acquired by the government is outlined in red. The first offer of Mr. O'Leary's, 227 feet in width is the same width or practically the same width as the government building lot and is shown in the colour outlined in the brown. The second offer 227 feet in width by 100 feet in depth is shown here on the plan outlined in green, and the third offer, a lot 50 feet wide by 100 feet deep is shown outlined in yellow.

Q. Then neither offer comprises the whole property?—A. No.

Mr. CROCKET.—The sawdust wharf property is outlined in red on the plan.

Hon. Mr. PUGSLEY.—That is according to Mr. Stead's first survey, but according to the description given in the deed, it laps over on Mr. O'Leary's wharf, is not that the case?—A. Yes.

*By Hon. Mr. Pugsley:*

Q. What he offered to sell for \$1,000, is—A. (Indicating on plan). This piece, 227 feet by 625, running back to the channel.

Q. And the lot he offered to sell for \$500, was this part of it here?—A. Yes, 227 feet by 100, and for \$250, he offered to sell this piece here (indicating on plan) 50 by 100 feet.



## APPENDIX No. 2

Q. Now, Mr. Stead, I want you to give me the total contents of the lots as described in the deed?—A. It would be very nearly ten acres, I have not the copy of the deed, but it would be nearly ten acres.

Q. Well, it has 737 feet on the water?—A. I am taking it at 730.

Q. That will be in the vicinity of 430,000 square feet, will it not?—A. Yes, 440,000 square feet; 43,560 square feet would be an acre.

Q. That is about the area of this property as described in the deed. Now then what would be the area of that portion of it which Mr. O'Leary has, by this letter offered to sell for \$1,000? It is 227 feet frontage on Water st., and the same width on the channel, and runs back to the water, 625 feet?—A. 737 feet is the length in the deed.

Q. Yes, but what he offered to sell for \$1,000 was 227 by 625 feet?—A. One-third of the property, a little less than one-third of the property.

Q. That would be at the rate of how much for the total property?—A. That would be at the rate on the whole property of more than \$3,000.

Q. For the total property?—A. Yes.

Q. What was the area for which he asked \$500?—A. 22,700 square feet, about half an acre.

Q. And at the same rate what would be the price for the whole property?—A. It would be about \$10,000 for the whole property.

Q. He made another offer of 50 feet by 100 for \$250, what would the area of that lot be in comparison with the total property?—A. It would be about one-eightieth.

Q. That would be at the rate of \$20,000 for the whole property, would it not?—A. \$20,000, yes.

Q. And according to the plan there would be a strip between the area which Mr. O'Leary offered to Mr. Waterbury and the railway wharf would there not?—A. There would be.

Q. Running all the way from Water st., would it not?—A. Running all the way from Water st. to the channel.

Q. Of what width?—A. 150 feet.

Q. That strip would be 150 feet by 625 feet?—A. That would spoil the property for the use for which the department would require it.

Q. And that you say would entirely destroy the property so far as its use by the government is concerned?—A. They would have to buy that strip at whatever price they could get it for in order to utilize the other.

Q. In other words, in order to utilize that property, if Mr. O'Leary's offer had been accepted for the portion, 227 feet by 625, the government would have to purchase an intervening strip between it and the railway wharf of 150 by 625 feet?—A. Yes.

Q. For government purposes, utilizing the property as a wharf property, how does that strip which Mr. O'Leary was proposing to retain compare in value with the rest of the property?—A. For the purposes which this wharf extension was assumed that was the property which was desired by the government rather than any other part of this lot.

Q. That would be of much more value to the government than the other part?—A. It would be much more valuable to the government.

Q. So that when Mr. O'Leary swore that he offered to sell the whole of the property for \$1,000, and if the true offer he made is contained in this letter what would you say with regard to his proposition?—A. I would say it would not be of very much use to the department.

Q. I think you succeeded Mr. Day, did you not, as resident engineer?—A. I did.

Q. How long is it since Mr. Day died?—A. About the first of January, 1904.

Q. Now, Mr. Stead, have you made a further examination of the sawdust wharf recently?—A. I took soundings on the wharf not long ago.

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Q. And did you make a survey of the frontage upon the channel of 737 feet?—A. Yes, I took additional notes, extended the survey somewhat.

Q. And that survey, you say, by the description of the deed would carry it right over on Mr. O'Leary's wharf by 20 feet and odd?—A. I think about 30 feet, between 20 and 30 feet.

Q. I understand that according to the description given in the deed there would be about 10 acres of the property, and that according to the plan which you made and which you are willing to take as being the proper description, there would be about 8 acres?—A. About 8 acres, yes. The original sketch which Tom Murray gave me was on the file somewhere and shows dimensions according to the deed.

Q. But the deed as given carries it over, you say, on Mr. O'Leary's wharf?—A. On the wharf, yes.

Q. When the municipal wharf was bought by the government you examined it, did you, to see its condition?—A. Yes.

Q. Mr. O'Leary has sworn that it was a wharf that was in good condition; what do you say as to that?—A. I did not take any account of the value of the approach at all in making my estimates; \$5,500 has been spent so far in repairing a portion of the approach and whereas the pier had appeared to be in a fair condition compared with the condition of the front of this other wharf it simply means that we will have to go to the expense of taking down a good portion of the timbers in order to make necessary repairs, storms of last year have carried away part of these timbers.

Q. And you know that you would have to do all that work when you made your valuation of \$1,500, in your judgment?—A. Yes.

*By Mr. Crocket:*

Q. This letter, Mr. Stead, which the minister read from A. & R. Loggie, I notice, is dated January 12, 1909?—A. Yes.

Q. From Richibucto, and it refers your letter of January 6th?—A. Yes.

Q. You had written to the firm of A. & R. Loggie?—A. Yes.

Q. For their opinion as to the valuation of this property?—A. Yes.

Q. Have you your letter of the 6th of January?—A. Yes, it is on file there, you will find it there.

Q. I have not been able to find it, on what file was it?—A. I brought it with me the last time I appeared here and I did not take it home again.

Q. I do not think that was in the departmental file when Mr. Stead brought it here, I was never able to find it.—A. I saw it among these papers here on the desk; I supposed it was among my papers which I took home, but found it was not.

Q. It was not among the papers that were left here?—A. Oh, I think so.

Q. I do not think the letter from Mr. Stead to Messrs. A. & R. Loggie has been before the committee at all?—A. Yes, I saw it here among the letters when I was here before and I did not take it home.

Q. There was a letter of the 6th of February, Mr. Stead?—A. Yes.

Q. If you remember, I called your attention to that when the committee adjourned some weeks ago and I told you I wanted the letter?—A. Yes, I remember you doing so and said it was among the papers here.

Q. And you say you are unable to find that letter?—A. No, I have not been able to find it since I went home.

Q. You say you produced that letter among the papers that you handed me?—A. Yes.

Q. Well, it is not among the papers I have?—A. That is my recollection, I remember seeing it on the table.

Q. Well, apparently it is not here. What caused you, Mr. Stead, to write that letter to Messrs. Loggie on the 6th of January?—A. To get their opinion about it.

Q. Why were you anxious at the time to get their opinion about your valuation of this property, on the 6th of January, several months after this transaction had

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been closed? Why were you anxious at that time?—A. Well, I had heard since then that there were criticisms of this transaction.

Q. You heard there were criticisms of the transaction?—A. Yes.

Q. From whom did you hear that?—A. I heard that in travelling through Kent county. I think I heard it in the first place from Mr. Legere at St. John.

Q. Who is he?—A. He is in the Marine and Fisheries Department, but his home is in Richibucto and he told me about it.

Q. He told you there was criticism of the purchase of this wharf at such an exorbitant sum?

Hon. Mr. PUGSLEY.—The witness did not say 'at such an exorbitant sum.'

*By Mr. Crocket:*

Q. He told you that there was criticism of the purchase of the wharf by the government, did he?—A. Yes.

Q. Did you have any intimation from the Minister of Public Works or anybody else in the department up to that time that there was criticism?—A. Up till the 6th of January?

Q. Yes?—A. Well, yes, I had, in a way I had.

Q. Just state what intimation you had?—A. I mentioned being in St. John, I went to see the minister in St. John, and the minister said it would be well to get any information I could about it.

Q. He told you that in St. John, did he?—A. Yes.

Q. That was on the 24th of December, wasn't it?—A. No, the 26th of December.

Q. In his office at St. John?—A. Yes.

Q. You went to St. John to see him in connection with it, did you not?—A. I went to St. John, it is my home, for Christmas.

Q. You went home for Christmas?—A. Yes.

Q. Where is your home?—A. Well, my home was in St. John since 1876 up till last year except a year we spent elsewhere.

Q. You went to St. John to spend Christmas?—A. Yes, I took my family down.

Q. Did you not state in your evidence before Christmas that you went to St. John to see the minister about this sawdust wharf purchase, that was one of the matters you expected to see him about?—A. Yes, I wanted to see him about that when in St. John.

Q. And did you not state in your evidence you have previously given that you went to St. John to see the minister about this matter?—A. I do not know whether it is there or not but I can look it up and see.

Q. Can you state whether you did or not?—A. I remember it came up in the evidence.

Q. Did you or did you not say so? What is your memory now upon the subject?—A. I know something of the kind came up.

Q. (Reads).

'Q. Is the only communication that passed between you and the minister in reference to this matter?—A. That is the only communication.'

Q. Do you say that, Mr. Stead.

The CHAIRMAN.—What is the question?

Mr. CROCKET.—If this is the only communication that passed between him and the minister in reference to this wharf matter?—A. Well, I really think it was.

Q. Will you say that it was? That that is the only communication you had with the minister with reference to this wharf matter?—A. Well, that is the only time I wrote to him.

Q. It is the only time you wrote to him, you talked to him, did you not?—A. I possibly did before that date, but I would not be quite sure.



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Q. And you had several conversations with him too, didn't you, before that date?—A. Yes, I certainly think I must have had.

Q. About this matter?—A. No.

Q. But you did say you had talked to him about this matter before then—

Hon. Mr. PUGSLEY.—He did not say he talked to him about this matter. You asked him if he had seen the minister.—A. I have an answer to that which is much better. I had a talk with the minister about this matter about the end of January. That was the first talk I had with the minister on that matter.'

A. Quite so.

Q. And then further on, (reads):

'Q. Didn't you talk with the minister between the date of your report and the date of his letter about this wharf purchase?—A. It is pretty hard to say; I rather expected to——'

and further on (reads)

'Q. And you never talked with him on the subject at all?—A. I did not have a chance to.

Q. You never got a chance? But answer the question, did you or did you not?

Hon. Mr. PUGSLEY.—You mean before the end of January.

Mr. CROCKET.—Before the 13th of January?—A. Well, really I do not know, but I have my diary here and I will see what time it was I was in St. John. I expected to have a talk with the minister in St. John.'

Q. Do you remember giving that evidence?—A. Yes.

Q. And you went to see the minister, didn't you, to discuss this matter with him in St. John when you saw him on the 26th of December, 1908.—A. Well, I did not see him to discuss it; I had no instructions from him to see him.

Q. Never mind about that just now, you went to St. John to talk with the minister on that subject?—A. Yes, and on other matters generally in connection with the department.

Q. And you went to see the minister in his office in St. John?—A. I waited about an hour and saw him for about a second as I told you before and he said he could not see me then but to send him any information I had about it. That is practically what happened in this office.

Q. You gained admittance to his office?—A. Yes, I did.

Q. And you referred to this matter as you have told us this morning, and he told you to get all the information you could?—A. Just as I have said now.

Q. Now the minister's letter is dated the 13th of January?—A. He said he would write to me about it, that he could not talk about it then.

Q. Do you say that you went there and waited an hour to see the minister, you gained admittance to his office and then that you had no discussion beyond what you have told us before, that the minister told you he would see you in Ottawa later on about it?—A. That is it.

Q. That is the statement you made before?—A. What I am telling you now is what I told you before.

Q. That is the statement you made before?—A. Yes.

Q. That you did not discuss the subject at all with the minister, he simply said to you he would see you in Ottawa?—A. Yes.

Q. Is that true that you waited there for an hour, and you gained admittance to his office to discuss this subject with him and that the minister then told you he would see you away up here in Ottawa upon that matter?—A. Yes, that is correct.

Q. But this morning you add this, that the minister told you to get all the information you could about it?—A. He told me it would be well to get any information about it, yes.

Q. Then it was after that you wrote to the firm of A. & R. Loggie?—A. I think I wrote to them twice, I think I had written to them before that.

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Q. The 6th of January was after that, wasn't it, that is the letter produced?—A. I think I wrote to them before that, or communicated with them, I am not quite sure.

Q. On the 6th of January you were in Dalhousie, were you not?—A. This year?

Q. The day—that the letter is dated, were you not in Dalhousie and saw A. Loggie?  
—A. About that time I think I did, but not on the same date as I wrote the letter.

Q. Did you bring the diary that you spoke of?—A. Yes.

Q. Just look it up and see?—A. On the 6th of January I left Dalhousie at 7 o'clock in the morning, I was there on the 5th of January.

Q. You were in Dalhousie on the 5th of January, the day before this letter of yours addressed to A. & R. Loggie is dated?—A. Yes.

Q. And you left Dalhousie on the day your letter is dated?—A. Yes, I wrote to him after I got back to the office.

Q. And you discussed, did you not, with Mr. Loggie, this question that you were going to write to him for an opinion in reference to this matter. Did you not talk the whole subject over with him?—A. I asked him about it as I did in this letter.

Q. And when you wrote your letter you knew exactly what he would say in support of your valuation?—A. I certainly did, I knew what his opinion was on the matter.

Q. Now, the firm of A. & R. Loggie have a few contracts with the Public Works Department, have they not?—A. Yes, they have.

Q. And you have been certifying their accounts for payment?—A. I have, under the contract.

Q. And you have had considerable dealings with the firm of A. & R. Loggie, as resident engineer?—A. I have.

Q. You have certified for a good many thousands of dollars for that firm. Do you remember being at Dalhousie on the 14th of October, 1908, when the minister was there?—A. I remember being there when the minister was there.

Q. And do you remember the minister, after consultation with you and with Mr. Loggie sending a telegram giving the Loggie firm a contract without any tender at prices to be certified as fair and reasonable by yourself? You remember that incident, do you not?—A. I remember getting a telegram from the chief engineer authorizing me to have the work done by A. & R. Loggie.

Q. And you know, do you not, of the minister sending a telegram to the chief engineer directing him to direct you to do that?—A. Yes.

Q. You remember that fact and that at the time the minister sent the telegram, the 14th of October, 1908, to the chief engineer here, 'Kindly authorize resident engineer Stead to put the dredge *Hayward* at work at Bathurst at the same prices as Caraquet work to be certified fair and reasonable by Stead, work not to exceed \$5,000.' You were there at that time?—A. I was there at that time.

Q. And you saw the minister and Mr. Loggie there?—A. I did not see Mr. Loggie at that time and the minister did not see Mr. Loggie either.

Q. Will you swear you did not see Mr. Loggie at that time, or any other?—A. Of course Mr. Loggie was a resident at Dalhousie and I might have seen him.

Q. Will you swear to that?—A. I tell you what I will swear to, that if Mr. Loggie was in Dalhousie at the time, which I do not know whether he was or not, he had nothing whatever to do with that telegram that you spoke of nor with that work either.

Q. What do you know about that, how are you in a position to swear as to that?  
—A. Of course I did not follow Mr. Loggie, I do not know what he is doing all his time, but I think I was with the minister practically the most of the time he was there and Mr. Loggie was not around.

Q. Do you say you were with the minister all the time the minister was in Dalhousie on the 14th of October, in the midst of an election campaign, is that the statement you want to go on record?—A. The minister arrived—I think he was asleep in his car up to about 9 or 10 o'clock in the morning.

Q. Were you with him?—A. I saw him after breakfast and he went up to Camp-  
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bellton, I think, and had a meeting in the afternoon. We walked about the wharfs all the morning and part of the afternoon too, that is my recollection of it, and I think that is correct. Mr. Hilyard was with him part of the time and Mr. Labillois, and he may have had private interviews with them for a short time, I was not in the immediate presence of the minister all the time, but I was within call, near enough to know what he did most of the time.

Q. You consumed most of the time of the minister on that occasion?—A. I did not consume his time, but I was within his call.

Q. However, that is the firm that gave you that letter in support of your valuation?—A. Yes, and they are a very honourable firm too.

Q. You told the committee in your previous examination that the minister's letter of the 13th January, 1909, was the first communication you had with the department with reference to this matter?—A. After the purchase.

Q. After the date of your report?—A. Yes.

Q. And on the 6th of January you had taken steps to get your valuation supported as well as you could?—A. You put it rather strangely, I would not put it that way.

Q. You think it is strange do you?—A. Yes.

Q. It strikes me too, as very strange.

Hon. Mr. PUGSLEY.—That is not the way the witness puts it.

*By Mr. Crocket:*

Q. I mean the effects are very strange?—A. I would not think that.

Q. Is it not a fact that there is a letter written by the minister dated the 13th of January which you told us the last time you were here was the first communication you had in regard to dissatisfaction regarding the valuation and yet on the 6th of January you had been taking steps to get that valuation supported so that you could send evidence to the department here; is not that the fact as the record shows?—A. Yes, that is the fact.

Q. And you had seen the minister at St. John before that, on the 26th December. Now, Mr. Stead was it not because of what passed between you and Dr. Pugsley at St. John, that you went to the Loggies to get this certificate?—A. I really think I wrote to Andrew Loggie before that, in December.

Q. Answer the question, that is the only letter you have brought here. Was it not because of what took place between you and the minister in St. John that you wrote to the Loggie's on the 6th of January?—A. I think Mr. Loggie promised me a letter some time before that, I had been talking it over with him.

Q. You have told us it was the day before?—A. No, it was sometime before that I had seen him, because I wrote to him some time in the autumn about it on my own hook.

Q. Where is that letter?—A. I just wrote him a personal letter, I do not think I kept a copy of it.

Q. You do not think you kept it?—A. I wrote him a personal letter and the chances are I wrote it with my own hand and did not take a copy of it.

Q. But you kept a copy of the other letter?—A. Yes.

Q. But why did you treat this first letter you speak of differently from the other? You treated one as a personal letter, and the other as a matter for the file?—A. It was immaterial.

Q. Are you in the habit of writing letters of that kind and treating them as personal letters, letters upon public business and taking no copies of them?—A. No, not on public business.

Q. And afterwards following them up by a letter of which you are careful to keep a copy. Is that your practice?—A. No, it is not my practice. Letters on public business I copy, but if I write personally to a man I do not usually keep copies of such letters on my file.



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Q. Do you say now that you have no doubt at all you did write to the Loggies in the autumn?—A. I think I did, at any rate I saw them.

Q. Well, Mr. Stead, give us something one way or the other. Did you write them in the autumn, as you said a moment ago, or did you not?—A. I have just said I think I did.

Q. You have not answered the question yet as to whether you did not write the letter of the 6th of January to A. & R. Loggie, because of what took place between you and the minister at St. John?—A. I suppose that had a good deal to do with it, but still I wanted that letter just the same whether I had seen him or not.

Q. So then this letter of the minister of the 13th of January does not represent the fact just as it existed?

Hon. Mr. PUGSLEY.—Hadh't you better ask him the question, not make the assertion?

Mr. CROCKET.—I have asked him a question and I have his answer.

Hon. Mr. PUGSLEY.—No, you are making an assertion now. He has not said that it misrepresented the facts.

Mr. CROCKET.—I am asking him that.

Hon. Mr. PUGSLEY.—You have not asked him the question, no doubt you intended doing so.

*By Mr. Crocket:*

Q. I call your attention to that letter addressed to you by the minister. 'It has recently been brought to my notice that the wharf property at Richibucto, purchased by my department for the sum of \$5,000 had been acquired by the then owner for a very much less amount.' That is the opening statement of his letter, and you have told us now that you and the minister discussed the matter at St. John and that it was largely in consequence of what took place between you and him that you wrote your letter of the 6th of January.

Hon. Mr. PUGSLEY.—Do you think that is proper in view of his statement that he only saw me for a second?—A. I tell you what I swore to, I swore that I did not discuss the matter with the minister in St. John, and in reference to the Loggie letter I wanted to get any information I could about the wharf, naturally, as I did about all public works. I had heard some time before a general rumour that there was talk about it, Andrew Loggie and I had talked about it and I had got his opinion on it.

*By Mr. Crocket:*

Q. I do not think you wish to take back the statement you have already made, or do you?—A. Not as far as I know.

Q. Now then, you base your valuation of this property in your report of the 10th of June largely upon the cubic contents?—A. Yes.

Q. And I think you told the minister that the cubic contents aggregated some 1,000,000 feet?—A. Yes.

Q. Now the cubic contents were largely sawdust and mill refuse, were they not?—A. It is perfectly immaterial, that sawdust was—

Q. Answer the question, please, were they not?—A. Very largely, I did not distinguish between the different classes of material.

Q. And the sawdust was very much decayed?—A. No, the sawdust does not decay when kept wet.

Q. Is it not a fact that if you go upon nearly any part of that property that the whole thing will give under a man's weight? You know that, do you not, and it is dangerous even to walk upon it?—A. No, it is not, I have walked all over it.

Q. You have?—A. Yes.

Q. Do you say that it will not give under a man's weight?—A. If you go on it will give under a man's weight in the same way that sawdust on the top of anything will give slightly, just as a plank flooring will give slightly, any material except stone will give, I suppose, but it does not give on account of the unsoundness of the wharf.

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Q. Do you call that a wharf?—A. I call it a wharf, and it is a wharf of the same kind that has been used all over that part of the country for the last 40 or 50 years for storing all kinds of lumber, it is the kind of wharf that is generally used there, and it would cost \$15,000 to put it there now.

Q. Could you put a wharf like that there now?—A. You could not put a wharf there like that now.

Q. I mean could you put a sawdust wharf there now?—A. I mean any kind of material.

Q. Answer that question. Is it not a fact that before any new wharf can be built there, or that wharf can be rebuilt, all of that stuff must be removed?—A. No, decidedly not—decidedly not.

Q. Do you say that it will not?—A. I say that if that wharf is coated with gravel, surfaced with gravel that will make a good finish for any purpose to which this wharf can be put.

Q. Do you say that it is not necessary to excavate that stuff before any wharf can be built up there?—A. You would have a difficult job to do it, there are large timbers there two feet square, of pine, and they found that out in cutting through to put a sewer in there.

Hon. Mr. PUGSLEY—It is not the case that the material now there would have to be removed. Those heavy timbers are there.

Mr. CROCKET.—Have you seen it, Mr. Pugsley?

Hon. Mr. PUGSLEY.—No, but I have the evidence, and there is the statement of Mr. O'Leary himself who protested most vigorously against cutting through those large timbers when the department was putting the sewer through it.

*By Mr. Crocket:*

Q. Have you not made the statement that it must be for the most part removed?—A. No.

Q. You have not?—A. No, I said that in the case of the municipal wharf, and the reason was that the municipal wharf is all timber and you have to have a good face on the wharf, it is narrow and you have to have two faces on it, and at Campbellton we spent hundreds of dollars, for brush to put in there which is no better than sawdust, and we got a lot of stuff of all kinds to fill in which was not equal to the filling that there is in this wharf.

Q. Do you say this wharf has any face?—A. I never said it had, above the low water mark, in my report.

Q. And you said it was washed away down to the low water level?—A. Yes, it is, and it is a good thing it is too.

Q. Did you add anything to your valuation because the face of the wharf was washed away?—A. If it had been built up to the top it would have been very much higher than that.

Q. Why do you say it would have been better if it had been washed away?—A. Because the department would have had to pay higher for it, and they would have had to repair it in a very short time. It was the same way at Loggieville where we bought a wharf which was supposed to have a good face, with 44 feet frontage and half an acre of ground and paid \$3,000 for it.

Q. Who did you buy that from?—A. Mr. Bently.

Q. How long ago?—A. About six years ago.

*By Hon. Mr. Pugsley:*

Q. And that wharf has only 44 feet frontage?—A. Yes.

Q. And the department paid \$2,000 for it?—A. Yes. And at Campbellton we had to take away that rubbish and build the wharf up again.

*By Mr. Crocket:*

Q. So, as an engineer you think it is better to buy a wharf without a face on it and build it up afterwards?—A. Better than to have to take down a lot of material first as we will have to do in the municipal wharf before we can repair it.

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Q. You told us when giving evidence before that Mr. Murray told you he had bought this property from Mr. O'Leary and that you knew the consideration which was stated in the deed?—A. Yes.

Q. You did, didn't you?—A. Yes.

Q. And you knew that before you got the offer from Mr. Murray at \$5,000?—A. Yes.

Q. And you withheld that information from your report, you omitted that information from your report?—A. I omitted that from my report, yes.

Q. And you have told us this morning that you took the precaution to speak to a gentleman in Chatham?—A. Yes, I talked over the whole matter.

Q. With Mr. Watt?—A. Yes.

Q. Was it Mr. Watt's judgment that influenced you in your valuation?—A. Well,—

Q. Was it what Mr. Watt stated to you in Chatham that influenced your report?—A. My report was perfectly correct. I got out my report first. I showed Mr. Watt my valuation and explained the whole thing to him.

Q. When did you speak to Mr. Watt?—A. I do not remember, I did not make a note of it, but I know it was at the time that the chief engineer asked me to report on the matter and it was before the chief engineer got my report on the value.

Q. But after you had prepared the report?—A. Yes, I had written it out and showed it to him before I sent it.

Q. Did you speak to any man in Richibucto about it too?—A. I might have, but not that I know about.

Q. I mean before you prepared your report?—A. I was in Richibucto.

Q. I know you were there, answer the question.—A. I did answer it, you asked me that before and I answered it.

Q. Did you speak to any gentleman in Richibucto about it? Did you or did you not speak to any man in Richibucto before you prepared your report about the valuation of the property?—A. It is in the evidence here (refers to evidence).

Q. Do you mean to tell me that you have to see your evidence before you can give an answer to that question?—A. I state here that I spoke to George W. Robertson, Mr. Forbes and Mr. Murray.

Q. About the valuation of the property?—A. Yes.

Q. Now, did you do that?—A. Do what?

Q. Was that what you said when you were here before? You spoke to them about the need for a wharf?—A. Yes.

Q. And you looked to George W. Robertson for information about the property, he being the person who got a lease of it—

Mr. CARVELL.—You have no right to make that statement, you can argue that later on.

Hon. Mr. PUGSLEY.—And the evidence is to the contrary.—A. In one way I did not look to them for information in regard to the value of the property as a wharf, I simply valued the property from an engineering standpoint. I discussed the matter with these people in regard more to the value of the street property there, which I did not mention specifically in my report at all. The value of the wharf was given in my report simply from an engineer's standpoint.

Q. Having said that, will you answer that question one way or the other. Did you or didn't you speak to any person in Richibucto outside of Mr. Murray himself in reference to the valuation of that property?—A. There were only two other men I could have spoken to about it and I spoke to them as to the value of the street frontage, and particularly of that wharf's street frontage.

Q. Who were the other two men besides George W. Robertson?—A. Tom Murray and Forbes.

Q. Tom Murray being the vendor?—A. Yes, he could give me the facts as to the value of the street property.



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Q. And Mr. Murray told you that he had paid for it?—A. No, he did not.

Q. Do you say he did not?—A. Well, I swore he did not when I was here before.

Q. Didn't you say that you knew from Mr. Murray himself that he had bought that property?—A. Yes.

Q. And that he told you the price?

Hon. Mr. PUGSLEY.—He did not say that.—A. I said the reverse.

Q. Did you not know that \$1,000 was stated in the deed as the consideration?—

A. Yes, but I did not know exactly what was the consideration.

Q. And you attached no importance to that fact; did you or did you not attach importance to that?—A. I simply reported on its value from an engineer's standpoint. I knew that if the department bought it they would get the original deed.

Q. You have spoken of Mr. Shives' property at Campbellton?—A. Yes.

Q. That was a built up wharf was it not, a completed wharf?—A. Well, it was just as the Richibucto wharf was stated to be a completed wharf; we have spent from \$5,000 to \$7,000 to build up the face of the Campbellton wharf and to complete it since it was purchased.

Q. I do not like to stop you, but I asked you if it was a completed wharf.

Hon. Mr. PUGSLEY.—And he is telling you what it cost to complete it.—A. That is what I am stating, that it cost that much to complete it.

*By Mr. Crocket:*

Q. Had this Campbellton wharf a face built up above the water's edge?—A. It had.

Q. And was it not a wharf that was in use at the time it was bought?—A. It was.

Q. And how does Campbellton compare with Richibucto in point of population and business?—A. It must have been when that wharf was bought about four times the population—no, I do not think it was that much, about double the population.

Q. What is the population of Campbellton?—A. It must be pretty nearly 4,000 now, when it was bought it was about 2,700.

Q. Is it not one of the most important shipping points in New Brunswick?—A. It is now, no doubt about that.

Hon. Mr. PUGSLEY.—Since we have given it good wharf accommodation?—A. Yes.

*By Mr. Crocket:*

Q. There is no comparison whatever between Richibucto and Campbellton as shipping points?—A. It is a good deal the fault of the department because in the old days—

Q. Never mind about that, answer the question.—A. There was a large business done in Richibucto in the old days.

Q. You are finding fault now with the department for not giving Richibucto proper accommodation?—A. I say they have gone very slowly at Richibucto.

Q. Has anything been done with this wharf since it was bought?—A. There has been a lot of gravel taken off it, so they say.

Q. That is the answer, is it, when I ask you if anything has been done with it?—A. That is all that has been done there.

Q. By the government since it was built?—A. You did not say anything about the government in your question.

Q. When I ask you if anything has been done with this wharf since it has been bought your answer is, 'It is said a lot of gravel has been taken off it,' is that correct?—A. Yes.

Q. That is the only answer you have to make?—A. Yes, that is the only answer.

Q. Otherwise the beach there is in exactly the same condition as it was when it was bought?—A. Naturally everything cannot be done at once.

Q. In your report you say there is a Buetouche merchant who said that he would

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not have sold this property for \$5,000 or something of the kind?—A. I think it was \$10,000 he said he would not have sold it for, I think that is it.

Q. You remember the statement to which I refer?—A. Yes.

Q. Who was that Buctouche merchant?—A. Mr. Irving.

Q. Was it Mr. J. D. Irving or Mr. A. R. Irving?—A. Mr. J. D. Irving.

Q. You have had to do with Mr. Irving as resident engineer of the Department of Public Works?—A. Yes.

Q. And Mr. Irving has been getting a lot out of the Public Works also, hasn't he, on your certificates?—A. Well, he has had a good many bills against the department.

Q. And you have certified to them?—A. As being fair and just, yes.

Q. And in order to get his money from the department it is necessary to get your certificate?—A. What do you mean by that.

Q. As being fair and just?—A. Yes, if they are not fair and just they will not be paid.

Q. Mr. Irving has been doing a lot of work in connection with what is called the Buctouche channel there, the beach?—A. Yes, he has supplied materials and we have had the use of his engine.

Q. And he has done work also at Chockfish?—A. And at Chockfish, too.

Q. And he has done work also at Richibucto Cape?—A. To a certain extent at Richibucto Cape too.

Q. And he has an engine he has been renting to the department for 7 or 8 years at \$8 per day?—A. No.

Q. Do you say he has not?—A. Not for that time, since last year and the year before that: I think the price they were paid before that was \$6 per day.

Q. And he has a scow, how much has he been getting for his scow rented to the department?—A. \$2 per day.

Q. And that has been going on for some years?—A. No, they use that scow perhaps in the summer 13 or 14 days, it is in a very dangerous place, and it is only by the greatest care that scow is not wrecked, there is not a bit of shelter there where they are working. One large scow we paid \$4 a day for and I think it is a perfectly reasonable price.

Q. We know that all these things are fair and reasonable.—A. Well it is fair.

Q. Now he has been selling stone at \$3 and \$4 for throwing into the breakwater there.—A. Large stone which is used in large pieces for the breakwater, we get for \$2.25 which is cheap.

Q. Do you know how much he pays for it?—A. No, I have no idea what he gets it for.

Q. His son A. R. Irving, a lawyer there, has also been selling stone in large quantities to the department.—A. Not very large; but that is his brother, not his son.

Q. At \$2.25 per yard?—A. Yes, \$2.25.

Q. And he is the Buctouche merchant that you mentioned in your report?—A. No.

Q. I beg pardon, it is J. D. Irving whose opinion you quoted to the department although you did not name him in the report?—A. That is the man.

Q. You promised to bring your note-book?—A. I sent that by registered mail, two note-books and the whole file, a large package. It had not arrived this morning, but I believe it is there now.

Q. Did you send your note-book by registered mail, too?—A. Yes, both note-books are there.

Q. You knew you were to be examined here this morning?—A. Yes, but I thought it would be here at the same time as I arrived, it came up on the same train as far as Montreal.

Q. But it is not here now?—A. No.

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Q. When did you mail it?—A. Before I left, it came on the same train as I did as far as Montreal and it should have been here this morning.

Q. But you have a diary that you produced this morning?—A. Yes.

Q. I want to see the entry that you produced this morning, on the 26th of December?—A. The entry in my diary?

Q. Yes?—A. (Witness hands diary to Mr. Crocket).

Q. Is this the entry you referred to this morning?—A. There it is, (indicating) I keep only just the statement to show what I have done.

Q. I offer this in evidence, the memorandum in Mr. Stead's diary of Saturday, 26th December, 1908, 'interviewed Dr. Pugsley this morning.'—A. Yes, I put it that way because of the long time I spent waiting.

Q. I would like to have that note-book, Mr. Stead, before you leave?—A. Oh, yes.

Hon. Mr. PUGSLEY.—He probably may have to go away but the chief engineer can produce it.—A. Yes, I will ask him to send it as soon as possible.

*By Mr. Crocket:*

Q. Your letter in reply to that of Mr. Pugsley dated the 13th of January is I think dated on the 20th, do you remember?—A. I think it is about that date.

Hon. Mr. PUGSLEY.—It is the 21st of January.

*By Mr. Crocket:*

Q. Have you any connection as resident engineer with the resident engineer at St. John?—A. No, I am independent of him.

Q. You are quite independent of the resident engineer at St. John?—A. Yes.

Q. Have you occasion to go to St. John frequently as resident engineer?—A. Not very often, no, but I had authority from the chief engineer to go there; when I first started out. I asked the chief engineer if I might consult the resident engineer at St. John occasionally.

Q. I only just wanted to know.—A. That is why I go.

Q. Do you remember being at Fredericton on the 19th of January, 1909?—A. The 19th of January, 1909? No, I was in the office that day, we were celebrating the anniversary of my Masonic lodge.

Q. Look up and see if you were not at St. John on the 18th of May, 1908, the day before this deed was passed from Mr. O'Leary to Mr. Murray?—A. No.

Q. Well, perhaps on the 17th?—A. I was in St. John on Sunday, the 17th.

Q. You were in St. John on the 17th?—A. Yes.

Q. And you were in Richibucto on the 19th?—A. Yes, I got there sometime late in the evening.

Q. Were you there on public business at that time?

Hon. Mr. PUGSLEY.—Do you mean at St. John?

*By Mr. Crocket:*

Q. Were you at St. John on public business on the 17th of May?—A. I see I was in the office of the resident engineer at St. John on the 18th.

Q. And then you were in Richibucto on the 19th?—A. Yes, on the evening of the 19th.

*By Hon. Mr. Foster:*

Q. Before you sent in your valuation of the property to the Public Works Department did you know that the property, the valuation of which you sent in, had been purchased by Mr. Murray for a sum not exceeding \$1,000?—A. No, I did not.

Q. You did not know that there was \$1,000 mentioned as the consideration in the deed?—A. Yes, that is in evidence already.

Q. What difference do you see between the two?—A. There is this difference, so far as I have had experience, the consideration, if it is not the actual consideration is very likely to be less in order to save taxes, &c. I could have saved in my own taxes quite a little if I had known that years ago.



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Q. You were acquainted with the fact that Mr. Murray had recently purchased it?—A. I knew that he had, but I do not know exactly when, because I saw it in the papers and I supposed it was public knowledge.

Q. You had an idea did you not that the purchase by Mr. Murray was a recent one?—A. Yes.

Q. Did it not strike you at all that Mr. Murray had paid probably not more than \$1,000 for it?—A. I really do not like to state it, but I did not know.

Q. You say you did not know that was the consideration?—A. I did not know that was the consideration, yes.

Q. In that case, do you think, or do you not think it was your duty to have mentioned that fact in your report?—A. In my letter to Dr. Pugsley I said that I regretted very much not having done so, while I supposed it would be known, in my letter I said that too.

Q. It would be rather your duty as an engineer on behalf of the government?—A. Yes, I tell you I think that.

Q. Naturally you would be more concerned for the government's interest than for Mr. Murray's?—A. Yes.

Q. It should be your duty, would you not consider it to be your duty to make mention of a matter of that kind to the minister?—A. I am sorry I did not, I consider that was a mistake on my part, and I think that in the first draft I made of my report I did mention it, and I cannot remember exactly how it was that I left it out.

*By Mr. Sharpe (Ontario):*

Q. How long have you been in the employ of the government?—A. Ten years, since August, 1900.

Q. What salary did you start at?—A. \$3 per day for each working day. Before I entered I had \$100 a month and my expenses. I had \$3 a day for a year for the day's work done and it was changed then to \$3 for every day.

Q. And you are on a yearly salary now?—A. A yearly salary.

Q. How much a year do you get?—A. \$2,400.

Q. How long has that continued, how long have you been getting it?—A. Since the increases were made this year.

Q. When was that?—A. About the first of the fiscal year I had an increase.

Q. When did the fiscal year commence?—A. The first of April.

Q. This year?—A. This year.

Q. Was it the first of April last year or this year?—A. I should have said 1909. I made a mistake about it.

Q. So that from the first of April you have been getting \$2,400?—A. I had the regular increase then of \$100, and they gave me about two months later in June, sometime, an increase of \$200, which I think was the general special increase which was given.

Q. And the total amount which you are receiving is \$2,400?—A. Yes.

Q. Have you received any increase since then?—A. Not since then, before that I had the regular increase of \$100, a year.

Q. Since June have you had any increase?—A. No.

Q. Have you had any promise of any increase since June?—A. No.

Q. So that your salary is now \$2,400?—A. Yes, I consider that I am not getting what I should have got some years ago.

*By Mr. Crockett:*

Q. What was your salary before June?—A. \$2,200.

Q. Was it increased to \$2,400 or \$2,500?—A. It was increased by \$200 to \$2,400.

Q. That was over and above the regular increase?—A. That was a special general increase, I think.

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Q. There was one thing I should have asked you about with reference to the offer to Mr. Waterbury. Are you aware of the fact that Mr. O'Leary since that offer and before the sale of the property to the government sold three building lots off the land he offered to the government for \$1,000?—A. He did not sell them off the piece of land mentioned in that letter.

Q. He did not sell them off the lot mentioned in that letter?—A. No.

Q. Do you say that?—A. Yes, and you will see that on the plan which shows where those lots are.

Hon. Mr. PUGSLEY.—You cannot get over that letter.

Mr. CROCKET.—It does not bother us very much; I understood Dr. Pugsley to say that there was no such offer.

Hon. Mr. PUGSLEY.—It shows that some men should have good memories. I said that Mr. O'Leary made no such offer as Mr. O'Leary said he had and that shows it.

*By Mr. Crocket:*

Q. In the sale of land that is mentioned in this letter it would have destroyed the value of that property entirely to Mr. O'Leary as a wharf property, would it not?—A. I do not think it would have done so because it would leave a large part of it adjoining his present wharf intact.

Q. You said there was a strip of 150 feet reserved, or did you say that?—A. There was a strip reserved next the railway, and another strip of 200 or 300 feet reserved next to his own wharf, so that he kept back the most valuable part of the property, as it appears to me.

Q. You say that if Mr. O'Leary had sold this property in the terms of that letter to the government it would not have practically destroyed his whole property as a wharf property?—A. It would have held back the most valuable part of it, it appears to me, because it would have a large strip next to his own wharf, and a large strip near the railway property which he could have sold.

Q. You say that the land described there does not include the three lots that have been sold by Mr. O'Leary on Water st.?—A. No, they do not, you can see that on the plan.

Q. Do you know how much Mr. O'Leary sold those lots for on the front?—A. One of those lots he sold to one of his employees for \$100 and as soon as he heard of this transfer he bought it back again.

Q. How do you know that? What did he sell the others for?—A. I do not know, I think one he did not sell at all, I think one was given to his brother by his father.

Q. Did he get more than \$100? You know, don't you? You have been making some inquiries in regard to the value of property and lots about Richibucto?—A. Yes.

Q. Do you not know these lots were sold, two of them for \$100 each and one at \$85?—A. No.

Q. You do not know that?—A. No, I know there was one at \$100, I am not very clear about those lots, but I know that.

Q. Do you know the field in which the station of the Kent Northern railway is situated?—A. Yes.

Q. Do you know that field changed hands for \$100 recently?—A. I do not know but still that is in the country.

Q. It is in the country?—A. Yes, it is at the back of the town.

Q. What is the population of Richibucto, Mr. Stead?—A. It is not a town and I cannot get it from the census, but the population of the parish is 4,000 or 5,000, that is those centred about it.

Q. I am not asking you about the parish, you know the village, do you not?—A. Yes.

Q. Is the population of Richibucto village 700?—A. That is a different matter, the village is 10 miles away from this place.

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Q. Richibucto is the shire town, is that what you are speaking of? Will you tell me what the population of this village is, will you say it is over 700?—A. I cannot say what it is, I cannot tell you very well, but I think it is. Those who live there and who know the number of school children and all that, can tell you better.

Q. Are you not supposed to get the population of these places to which you are sent to make reports on public works? Do you mean to say that you have not an idea of the population of Richibucto?—A. I do not keep these things in my head, I turn up the *Gazetter* if I want to find anything like that.

*By Hon. Mr. Pugsley:*

Q. Richibucto is an important town, is it not?—A. It is an important town.

Q. And is this not true that there was a time when Richibucto was one of the most important towns in the province?—A. It was, there was a lot of shipping there.

Q. And large ships went up the river above this property, did they not?—A. Fairly large, the bar has always been a trouble there.

Q. It was stated here the other day by Mr. O'Leary that there has not been a vessel at this wharf for 40 years. Have you made inquiry as to that and can you tell me as to vessels lying there?—A. I have made inquiries and I have heard that the government dredge *St. Lawrence* paid wharfage for several years there.

Q. Those payments appear in the public accounts, in the Auditor General's Report, I presume?—A. Yes, in the Public Accounts.

Q. Mr. Crocket asked you as to whether this strip of 227 feet that Mr. O'Leary offered to the government for \$1,000 would not take away the most valuable part of his property, to which you said, 'No.' I want you to explain a little more fully why it would take away, as you state it would, not the most valuable part of the property, but really the least valuable part of his property?—A. The reason of that is that where the railway comes down to the water and to the shore is the point where the people want increased accommodation. As it is now the railway can only come down on the present narrow wharf and now they want room to turn so as to be able to run sideways along the wharf, and that 150 feet or so of frontage between the present wharf and that strip which Mr. O'Leary offered to sell is the part which we require to make that curve.

Q. Quite so, and then upon the other side of the 227 foot strip it would leave him how much, up to his present wharf?—A. It would leave him 400 feet including his own slip to his own wharf which, naturally, he would want to keep.

Q. So that when he made the offer at \$1,000 he was far from offering as he swore a short time ago, to sell the whole property to the government, but he was simply offering a strip in the centre which would leave him still owner of a strip from the street to the channel of 150 feet between that and the railway wharf, which you say would be the most valuable part of the property to the government, and also a frontage of 400 feet which he proposed to keep next his own property?—A. That is correct.

Q. Whereas if the government has bought the whole of the property as described by the deed it would lap over about 20 to 30 feet upon his own wharf.—A. Yes.

Q. Mr. Crocket asked you what had been done in respect to the wharf and you said that nothing has been done by the government since it was bought, and I think you also mentioned that you cannot do everything at once. The government has, in the meantime, improved and rebuilt the municipal wharf?—A. Yes, so that the railway can get out there.

Q. So that in the ordinary course from an engineer's standpoint looking towards the improvement of the property that wharf will be extended along the front of this property which has been purchased?—A. Downwards from the present wharf.

Q. You also said in that connection that there had been a good deal of gravel removed. To whom were you referring as having removed that gravel?—A. I have heard that the Street Commissioner had removed gravel from the wharf.

Q. That is the Commissioner appointed by the present Conservative government in New Brunswick?—A. I understand so.



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Q. And who was the other party you heard had taken away gravel?—A. Mr. O'Leary.

Q. Was this gravel ballast in the wharf?—A. It was gravel ballast.

Q. Gravel ballast in the wharf. Did you learn what quantity Mr. O'Leary had removed?—A. I did not learn exactly, but one man said he had removed about 200 cubic yards, I could not be certain.

Q. I want to ask you if this was an improper removal of ballast from the wharf by the road commissioner of the provincial government and Mr. O'Leary, or was it done with your knowledge or authority?—A. It was not done with my knowledge or authority.

Q. Would or would not the fact of this ballast being there above low tide so that it could be hauled away, show that there was a depth of 14 or 15 feet of water in the channel remaining there under the ballast?—A. It means of course that it is not a beach.

Q. That would necessarily follow, so that that is one evidence, in addition to the examination made before the wharf was purchased, that this wharf was built up there along the channel to a height of 14 or 15 feet at least.—A. Certainly I mentioned in my report that the wharf forms an approach to deep water.

Q. When you speak in the report of the presence of about a million cubic feet of material in the wharf did you include in that the gravel ballast, the wharf timbers, and also the sawdust and other mill refuse which had been filled in behind it?—A. I included all that had been put in by man, I did not include the land.

Q. And that you say is a low valuation. You say in answer to Mr. Crocket that the gentleman in Buctouche to whom you referred in our report as saying that he would not sell the property for \$5,000 was Mr. J. D. Irving, and in order to discredit in some way Mr. Irving's statement, Mr. Crocket asked you whether or not Mr. Irving had not got a great deal of money out of the department. Has Mr. Irving got, to your knowledge, anything beyond what he gave good value for?—A. Nothing to my knowledge.

Q. Is Mr. Irving doing a large business in Buctouche?—A. He does a large business in Buctouche.

Q. And a considerable business in Rexton, too?—A. Not that I know of.

Q. In order also to discredit the statement of Mr. Loggie, Mr. Crocket asked if you had not certified for dredging work which they had done. Did you or did you not do anything more than your duty in certifying to their accounts?—A. I simply did what was my duty.

Q. Are you aware that Messrs. A. & R. Loggie have ever received from the department anything beyond what was fairly earned?—A. They have not received any more, and I think moreover they would not think of doing so.

Q. Are they men of high reputation?—A. Of very good reputation and very respectable.

Q. Mr. Crocket asked you if you did not receive a telegram from the chief engineer to give work to A. & R. Loggie to the extent of \$5,000, dredging at Bathurst and you said that you had done so. How did the dredge work at Bathurst compare in quality, so far as the material was concerned, with that of Caraquet?—A. It was more difficult. You see their price on the Caraquet work is lower than on other contracts, and they did not remove nearly so much material at Bathurst each day, not by quite a considerable amount.

Q. The Caraquet work had been given them in public tender?—A. Yes.

Q. And this Bathurst work was you say somewhat more difficult, there was not a large quantity to do, and it was given them at the same price as their tender for work at Caraquet and it was limited to the amount of \$5,000?—A. Yes, limited to the amount of \$5,000.

Q. Mr. Crocket also asked you whether you did not discuss this matter with Mr. Loggie before you wrote him the letter asking his opinion in regard to the value of

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the property. I want you to tell me just what Mr. Loggie told you with regard to the value of the property in that conversation which Mr. Crocket has asked you about.—A. He told me in general terms what he stated in his letter; he said it was well worth the price the government paid for it.

Q. He said it was well worth the price the government paid for it?—A. Yes, he spoke of the situation of the property, and he spoke of the benefit it would be to Richibucto to improve it.

Q. Did he refer at all in that conversation to the depth of water which he had in front of his present wharf at Richibucto, compared with the depth of water at this wharf?—A. No.

Q. You do not remember that?—A. I am not quite sure.

Q. With regard to the interview with me at St. John on the 26th of December, you say that you came there, it being your home, during the Christmas season?—A. Yes.

Q. And that you called to see me. What was the reason you could not see me when you came in?—A. There were a great many more people in your office ahead of me.

Q. And you waited, you say, about an hour?—A. I think I must have waited much longer than that.

Q. What was the length of the interview you had with me?—A. I was not in there—it is pretty hard to say—more than something like a second.

Q. Mr. Crocket seems surprised that I told you that I would see you in Ottawa at the last of January. Is it or is it not usual for engineers to come to Ottawa to see the chief engineer?—A. I have been doing that for the last four or five years.

Q. And you expect to continue to come?—A. Yes, in fact before I called to see you I had arranged to come to Ottawa.

Q. Beyond me telling you to get what information you could did I give you any instructions whatever, of any kind, in reference to this matter?—A. No instructions of any kind.

Q. In my letter to you of the 13th of January I make reference to what I thought to be your duty, and in answer to Mr. Foster I think you stated you wrote to me regretting that you had not mentioned the previous transfer?—A. Yes.

Q. Had you in mind this paragraph contained in my letter to you of the 13th January.

‘I would also remind you that in your report to the department you made no reference to any previous transfers. This is information which should be in the possession of the department, because it might, as you can readily understand, influence the judgment of the officials as well as that of the minister in determining upon the purchase. In the future, you will please keep this in mind, and report all previous transfers together with the consideration made within two or three years previous to your report, and also all other facts which might in any way afford information to the department as to the reasonableness of the price asked.’

and then in your letter you expressed your regret that you had not done so?—A. Yes.

Q. That is what you referred to in your answer to Mr. Foster’s question?—A. Yes.

Q. I want to ask you this, that in view of the inquiries which you have made and considering the value of other properties similarly situated, what do you say to-day as to whether the price paid for this property was, in your judgment, fair and reasonable?—A. I consider that for the property it is a reasonable price.

*By Mr. Crocket:*

Q. I understood you to say that the dredging done at Bathurst under the telegram that has been referred to was more difficult than the dredging at Caraquet?—A. It was more difficult than the dredging at Caraquet.

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Q. You say that you do? Now didn't you write a letter to the department stating that Loggie's dredge the *Hayward* was going to Bathurst to lay up for the winter, and that they could do the dredging there more easily for that reason? Do you remember writing a letter of that kind?—A. Very likely I did write a letter something like that, because I think it is so.

Q. You knew, didn't you, that the Loggie's dredge *Hayward* at Caraquet was not able to continue work there because of its exposed situation and rough weather, and that it was making for Bathurst for winter quarters, and this work was to be done right in Bathurst bay?—A. They did not stay longer at Caraquet—

Q. Just answer that, you knew that?—A. Yes, I knew that they were going there.

Q. And still you say that the dredging at Bathurst was more difficult than at the other place?—A. And so it was.

Q. What was the nature of the dredging at Bathurst?—A. Soft clay, but it could only be done at certain hours and I know that they did not move as much material in a day there as they did at Caraquet or Dalhousie.

Q. The certificates will show what kind of dredging it was at Bathurst?—A. Do you say that the measurement is not correct?

Q. What do you say about soft mud, is that considered easy dredging?—A. That is considered easy dredging what do you mean by that.

Hon. Mr. PUGSLEY.—You say they were not able to remove the same quantity in a day at Bathurst as they could at Caraquet?—A. That is what I say, they could not move as much there as they could at Caraquet.

Committee adjourned.

# HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

THURSDAY, January 20, 1910

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The CHAIRMAN.—Gentlemen, before taking up the case we had under consideration at the previous meeting I wish to read a letter received from Mr. Andrew Loggie, dated January 17th, addressed to Mr. Howe, Secretary of the Committee. (Letter read), I understand from that Mr. Loggie cannot be present to give evidence in accordance with the subpoena.

Hon. Mr. PUGSLEY.—Later on I will possibly ask for an adjournment so as to get Mr. Loggie here; that is after Mr. Crocket is through with the other witnesses.

The committee resumed consideration of the payment of \$5,000 to Thomas O. Murray for the purchase of the sawdust wharf, Richibucto, N.B.

Mr. GEOFFREY STEAD recalled:

*By Mr. Crocket:*

Q. Have the books of which you spoke yesterday, Mr. Stead, come to hand since?—A. Yes.

Q. Have you got them here?—A. Yes.

Q. Have you the note-book to which you referred?—A. The note-books are there as well. (books produced).

Q. And these are the note-books?—A. These are the note-books.



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Q. I would like you to turn to 26th December, 1908, and see what entry you have there?—A. There is no entry on the 26th of December, there are no entries between 22nd of December, 1908, when I was at Richibucto, and the 5th of January, 1909, when I was in Campbellton.

Q. You might turn to the 19th of May?—A. Yes, there is a note for Buctouche on the 19th of May, there is a note on the Buctouche beach on the 19th of May, another note for Chockfish on the 19th of May and another St. Nicholas river on the 19th of May, that is all.

Q. Have you recorded there your visit to Richibucto on the 19th of May?—A. No, I got in so late on the 19th of May I was not able to do anything on that day.

Q. Now, would you turn to the diary that you had yesterday and look up the 14th of October, 1908?—A. The 14th of October?

Q. Let me see the entry you have there, is your visit to Dalhousie recorded there?—A. To Dalhousie, yes.

Q. This entry is, 'Wednesday, 14th October, spent the morning looking over wharfs, &c., with Minister of Public Works, Wm. Pugsley, C. H. Labillois, George Mercer—is that it?—A. Yes.

Q. And George H. Hilyard?—A. Yes.

Q. You stated that before your letter of the 6th of January to Andrew Loggie you had written him a personal letter, or you thought you had, in the autumn?—A. Yes, I think I did.

Q. And you haven't a copy of that letter?—A. No, I have not a copy.

Q. Did you receive a reply to that letter?—A. No, that was why I wrote him again.

Q. You received no reply?—A. No.

Q. Yesterday you also stated that you went to St. John to spend Christmas, just a holiday, on the 24th of December; was that right?—A. Yes, I went for the holiday, it was the 25th of December.

Q. The 25th of December?—A. Yes.

Q. You might just look at your travelling expenses for December will you? (handing witness file of documents)?—A. Yes.

Q. You charged the department with your expenses on that trip?—A. I charged for my ticket to St. John, yes. I charged no hotel bill in St. John, you will see.

Q. You charged for the ticket to St. John?—A. I charged for the ticket to St. John.

Q. And for cab hire, &c.?—A. Yes.

Q. Now, Mr. Stead, had you received any telegram to go to St. John?—A. No.

Q. You are sure of that?—A. I don't think I did.

Q. Will you swear that you did not receive a telegram to go to St. John?—A. Yes, I had no telegram to go to St. John.

Q. You say you had no telegram to go to St. John?—A. Yes.

Q. You told us you went there expecting to discuss this matter with the minister?—A. That was my own intention.

Q. That was your intention?—A. Yes.

Q. When you went to see the minister, to discuss this matter of the Richibucto wharf?—A. Yes, amongst other things in connection with the district.

Q. What information had you that gave you that intention to go to St. John to discuss this matter with him? What was the information that made you go to discuss this question with him?—A. Is there any reason why I should not?

Q. You say you went with the intention of discussing this particular matter with the minister?—A. Yes.

Q. And with the expectation of discussing it with him?—A. Yes, that among other matters, and is there any reason why I should not?

Q. Will you answer my question, Mr. Stead, what was it that gave you that expectation, and upon what was your expectation and intention to discuss that partic-

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ular matter founded at that particular time?—A. I can say that it was my duty, nothing more or less.

Q. That is the only answer you have?—A. I consider that that is a sufficient answer.

Q. That you considered it your duty?—A. Yes.

Q. And how long had you considered it your duty?—A. No answer.

Q. How long had you considered it your duty to discuss this particular matter with the minister?—A. I say that it is my duty if I have a chance to discuss questions with the minister to be on hand to do it, questions in connection with the work of my department in my district and I do not put one object above another. I have a number of objects to discuss with the minister generally whenever I have a chance to see him. As they come up I consider it my duty to discuss them with the minister whenever I have the opportunity.

Q. With the minister personally?—A. Yes.

Q. But had you discussed this matter with the minister personally up to that time?—A. No.

Q. You never had?—A. No.

Q. Although you had been with the minister on the 14th of October?—A. Yes.

Q. And as you told us yesterday practically had him in tow for the day?—A. Oh not at all, I did not say anything of the kind. I would not consider that that would be a very respectful way to speak.

Q. You do not consider it is?—A. No, I do not. I consider it is decidedly disrespectful.

Q. I do not mean to offend you in anyway. You told us yesterday that you spent practically all the time while you were in Dalhousie with the minister?—A. I said I was on call and with him a good part of the time. I was within call, I said, and with him a good part of the time.

HON. MR. PUGSLEY.—The witness also said examining the wharf properties and looking over the harbour at Dalhousie.

The WITNESS.—Yes.

*Mr. Crocket:*

Q. And no mention was made then of this matter?—A. No mention was made.

Q. You did not feel it your duty then to mention the matter to the minister?—A. I cannot quite remember the whole list of subjects for the time I had with the minister. I did not have but a very few minutes to speak to him and I got over as many as I could.

Q. Are you certain that you did not discuss this matter with him?—A. Quite certain.

Q. Were you aware at that time that any fault had been found, or any criticism made, with regard to your valuation and the price which was paid for this property?—A. I do not know that I was. Even if I was it would not have made any difference at all.

Q. Never mind whether it would have made any difference; were you or were you not aware of the fact?—A. I do not know exactly the first date that I was made aware that there was any criticism.

Q. Had you written Loggie up to that time?—A. No.

Q. Are you sure of that?—A. Yes, I can swear to that.

Q. You are certain of that? But you tell us you went to the minister's office in St. John to discuss this particular question with him?—A. I did not say that at all.

Q. Well to discuss this among other questions, we will put it that way?—A. Yes, that was the way I put it.

Q. And you had no intimation or request of any kind that you were desired to do so?—A. No not that particular question. I considered it my duty to do so among other questions.

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Q. You told us yesterday that you wrote Mr. Loggie a personal letter and did not keep it on file or did not keep a copy of it.—A. Yes, so far as I remember.

Q. Then you wrote him the letter of 6th January which you say you did keep a copy of?—A. Yes.

Q. But you have not produced that letter here yet?—A. I beg your pardon, I did produce it here.

Q. We have not seen it, Mr. Stead?—A. You may not have seen it, but I saw it on this table.

Q. Did you look through the file which came yesterday by mail?—A. No.

Q. Then after your examination is concluded to-day, please look through that file and see if the letter is there? I want to see it.—A. You are at perfect liberty to see it.

Q. Do you write the minister any personal letters?—A. No, I have never written the minister a personal letter that I remember.

Q. Not that you remember?—A. I think I would remember if I had done so.

Q. Will you swear that you have not written the minister personal letters that have not been produced in this matter?—A. I will swear it.

Q. That have not been produced before this committee?—A. I have never written the minister a personal letter on this matter. On other matters I may have, but I have no recollection of writing any personal letters.

Q. Do you swear you have not?—A. Yes.

Q. Will you swear that you have never written the minister a personal letter?—A. Yes.

Q. Have you received personal letters from the minister that you did not file?—A. Not on this matter.

Q. You have on other matters?—A. It is possible that I have.

Q. As a matter of fact you know you have, do you not?—A. Is there any reason why I should not?

Q. I am not saying that, I am not here to answer your questions.—A. It is possible that I have.

Q. You do not remember receiving any personal letter in this matter?

Hon. Mr. PUGSLEY.—He says he did not receive any.

The WITNESS.—I did not receive any in this matter, no none whatever.

*By Mr. Crocket:*

Q. In this conversation which you said you had with the minister yesterday——A. I beg your pardon I did not refer to it as a conversation. I said we had not discussed the matter at all.

Q. Did you not tell us yesterday that the minister told you to get all the information possible on this matter on the 25th of December?—A. You can see what I said. I said that the minister—yes, something to that effect, but in very few words.

Q. Well is that not a conversation?—A. Possibly.

Q. And you entered it in your diary did you not as having had an interview with the minister?—A. I said that I had an interview with the minister.

Q. There is an entry in your diary of an interview with the minister?—A. Yes.

Q. And the only matter that you discussed was the Richibucto wharf?—A. I said I was there about a second did I not?

Q. You said you were there about a second but the only matter you discussed was the Richibucto wharf?—A. I did not discuss any matter.

Q. Well, that you talked of?—A. The only matter that the minister spoke to me about was that. Yes that we talked of rather,——

Q. And you entered it in your diary that you interviewed the minister?—A. Yes.

Q. Do you tell me that is all that was said?—A. It wasn't the exact words, but something like that.

Q. And that is all you have to say about that?—A. That is all.



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Q. So that the letter you got from the minister of the 13th of January did not surprise you very much, did it? You were rather expecting it, were you not?—A. Yes.

Q. You were expecting that letter and knew you were to get it, that is correct, is it not, Mr. Stead?—A. Yes, I think so.

*By Hon. Mr. Pugsley:*

Q. Mr. Stead, were you aware when you wrote Mr. Loggie that they were property owners in Richibucto engaged in carrying on business there?—A. Yes.

Q. And did you believe that from their experience they were men who would have a good idea of the value of wharf property at Richibucto?—A. I did, yes.

Q. Mr. Crocket asked you if you had received any personal letter from me; can you call to mind any personal letters upon any personal subjects that I have written you?—A. I do not know that I can.

Q. You cannot recall them, and you are quite sure that I did not write you personally upon the subject of the Richibucto wharf?—A. No.

Q. I did not, you say?—A. Yes, you did not.

Q. And you say that in coming to St. John you did not come at my request?—A. I did not come at your request.

Q. Or on any intimation from me that I desired to see you?—A. No.

Q. You said in answer to Mr. Crocket that you expected to receive a letter from me after you had seen me at St. John, would you state why you expected to receive a letter from me?—A. You could not see me then, practically, and I think, though I am not sure, you said you would write to me.

Q. I said I would write to you?—A. Yes.

Q. Until you received the letter from me had you any idea what its contents would be?—A. No, I was surprised when I did get it.

*By Mr. Reid (Grenville):*

Q. But you knew it would be about the Richibucto wharf?—A. Yes.

*By Hon. Mr. Pugsley:*

Q. You had no idea of what the contents would be, and you said that its contents surprised you although you knew it would be about the wharf?—A. Yes.

MR. CROCKET.—Excuse me, he said yesterday that you said you would see him in Ottawa.

HON. MR. PUGSLEY.—The witness says he thinks I said I would write to him.

Witness retired.

WILLIAM O'LEARY, Montreal, called, sworn and examined:

*By Mr. Crocket:*

Q. Where do you reside, Mr. O'Leary?—A. Montreal.

Q. Did you formerly live in Richibucto, Kent county, N.B.?—A. Yes.

Q. Are you a son of the late Henry O'Leary?—A. Yes.

Q. And half-brother of Richard O'Leary?—A. Yes.

Q. You had an interest in the property which is known as the sawdust wharf, Richibucto, did you not?—A. Yes.

Q. How did you acquire that?—A. I acquired it through the death of my mother who died intestate and it reverted to myself and my other three brothers.

Q. When did you leave Richibucto to remove to Montreal?—A. I did not go to Montreal from Richibucto, I went to Pittsburg.

Q. How long since you gave up your residence in Richibucto?—A. I should say about eleven years, from the time I graduated.

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Q. You say that on the death of your mother this property devolved upon yourself and your three brothers?—A. The three other brothers.

Q. Did you make any effort to make a sale of the property?—A. Yes.

Q. In closing up the business of your mother's estate?—A. Yes.

Q. You might just state, Mr. O'Leary, what you did in reference to that?—A. Well, as we had property in Richibucto, this sawdust wharf, I offered the sawdust wharf to my brother, Richard, but he said he did not want it, and he told me that we might be able to get \$1,000 for it including the Hartnett store, my father had paid that some time before, but he said it was not worth that now, and I said to him, 'If you do not want it for your business I will sell it to Loggie.'

Q. What Loggie was that?—A. Andrew, A. & R. Loggie. And he said, 'Try it, and if he gives you \$1,000 for it, take it. So I met Mr. Loggie.

Q. Is that Mr. Andrew Loggie?—A. That is Mr. Andrew Loggie.

*By Mr. Carvell:*

Q. How long ago is that, do you say?—A. It was in 1902. I asked Mr. Loggie if I could sell him the sawdust wharf, and he said 'No,' that he did not want it at all. I asked him if it would tempt him if I offered it for \$1,000, and he said, 'No.' I said, 'Will you make me an offer for it?' And he said, 'No, I have enough of this old property around here now, I would not want it under any consideration.'

Q. That is Mr. Andrew Loggie, of the firm of A. & R. Loggie, you are speaking of?—A. Yes.

Q. You were not here yesterday when Mr. Andrew Loggie's letter of the 12th January was read?—A. No.

Q. Well, there is a letter in the case now, signed by the firm of A. & R. Loggie in reference to the valuation of this property, and you say that Mr. Andrew Loggie, to whom you made this proposition, is a member of this firm?—A. The firm of A. & R. Loggie, yes.

Q. You said, I think, Mr. O'Leary, that at the time this offer was made to Mr. Loggie, the property included the Hartnett store, did you say?—A. The DesBresay store, is the old name for it.

Q. And that has since been sold off the property?—A. I sold the whole property after that to my brother for \$400.

Q. You sold the whole property?—A. The whole property, Hartnett's store and the whole property, for \$400.

Q. To Richard, for \$400? Do you know whether Hartnett's store was sold by your brother before the sale to Murray or not?—A. I do not think so, I do not know.

Q. You have no information as to that?—A. No.

*By Hon. Mr. Pugsley:*

Q. What interest had you in the property, Mr. O'Leary?—A. I was handling it then for myself and my brother.

Q. Had your brother, Richard, an interest in it?—A. No.

Q. And you sold the interest of yourself and brothers for \$400?—A. Yes.

Q. Have you any entry of that in any book which would show the entry of the receipt of the money?—A. I think I have.

Q. Have you it with you?—A. No.

Q. Did you execute a deed, you and your brothers, to Richard?—A. Yes.

Q. Is it on record?—A. Yes, I presume so.

Q. The deed is on record at Richibucto?

Mr. CROCKET.—There is the deed (handing document to minister).

*By Hon. Mr. Pugsley:*

Q. Mr. Crocket produces a deed, dated 2nd April, 1903, between William O'Leary and Marguerite, his wife, Frederick O'Leary and Mira, his wife, Rev. Louis O'Leary and Rev. Henry O'Leary, and others. I see it gives no description of the property

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and it does not profess to convey the whole title, but simply your 'Right, title and interest.' Why was it put in that way, why did you not give a straight deed of the property?—A. I presume the deed is all right. I do not know who drew up the deed.

Q. It is all right for what it conveys, but it does not convey the whole title.

Mr. CROCKET.—That is all the government gets.

Hon. Mr. PUGSLEY.—The government deed professes to give the land.

Q. You convey all your right, title and interest. Was there any question about what your right, title and interest was?—A. Absolutely none. We owned the property.

Q. Was it subject to mortgage?—A. No.

Q. I understood—I may have been wrong—from your brother when he was here, that your father had owned this property?—A. My mother owned it. I do not know whether it was bought in my mother's name, or whether it had been transferred by my father to my mother. I remember the day my father bought the property at auction sale.

Q. Do you know that your father did buy it?—A. He bought it but as to whom the deed was made out I do not know.

Q. And whether the title had been in your mother or your father, you do not know?—A. I know that at the time of her death, the title was in her name.

Q. Did your father die before your mother?—A. No, afterwards.

Q. Your father died after your mother?—A. Yes.

Q. You are not able to say why the words were put in the deed as conveying simply your right, title and interest—in other words, a quit claim deed, not what is known as an ordinary deed of bargain and sale?—A. I am not accustomed to legal terms, but we arranged and conveyed everything, the property clear.

Q. Are you able to say why, instead of giving an ordinary deed of bargain and sale, this was simply a quit claim?—A. Well, I do not know what difference there is between the deeds.

Q. Those who happen to be lawyers know?—A. Then it is for them to answer, I do not know why it should be made different.

Q. You cannot explain why this is a quit claim and not an ordinary deed or bargain and sale?—A. I am not a lawyer.

Mr. REID (Grenville).—Perhaps the minister might explain.

Hon. Mr. PUGSLEY.—The usual thing is that if a man owns the property, he gives a deed of bargain and sale. If he does not own the property he very often gives a quit claim deed, which releases his interest.

*By Hon. Mr. Pugsley:*

Q. Do you know what frontage this deed conveyed?—A. Yes.

Q. I see it does not give any frontage?—A. I know approximately.

Q. How much was it?—A. It conveyed from very near the public wharf.

Q. That is the municipal wharf?—A. Yes, the municipal wharf down to Hartnett's store, including Hartnett's store, with the exception of a lot which we had deeded previously to Arthur O'Leary, and some land there that was owned by the Wilsons and I think a blacksmith shop or something like that.

Q. Had you conveyed those properties to anybody?—A. We had conveyed the property to Arthur O'Leary.

Q. Yes?—A. The others had been conveyed before we got possession of the property.

Q. Yes?—A. One of them I guess was never—the Wilson property was never in my father's name or mother's either.

Q. I see the deed says: 'With the exception of a portion of said land on the north easterly corner thereof with a right of way thereto since the date of said mortgage.' It refers to a mortgage upon the property. Did you know anything about that at that time?—A. I did not know of any mortgage being on the property.



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Q. It refers to a mortgage. Whether that mortgage has ever been discharged or not I have no means of knowing. Then the deed speaks of 'a right of way thereto since the date of said mortgage conveyed to one Henry O'Leary.' Would that be your father?—A. Yes.

Q. That is apparently a copy of an old deed of McLeod's that has just been filled in there.

Q. No it cannot be.—A. Well DesBrisay's.

Q. This refers to a deed of 1890, and that would be long after DesBrisay's death?—A. I know.

Q. And long after George McLeod had left that part of the country?—A. About 1890 my father bought in that property just about that time at an auction sale.

Q. Do you know who gave the deed to your father?—A. No.

Q. Do you not know?—A. No.

Q. And you have no knowledge at all? All you know is that your father had bought the property but whether he had a deed given to your mother or not you do not know?—A. As to whether the deed was made out to my mother when my father bought it, or whether he deeded it to my mother later on I do not know.

Q. The deed makes an exception of the property conveyed to Henry O'Leary. Then it further says: 'With the further exception of that certain piece or parcel of land with buildings thereon conveyed to one, Arthur E. O'Leary, by William J. O'Leary and others by deed bearing date the first day of August, Anno Domini 1901.' Would that be the blacksmith's shop?—A. No, that is where Arthur's house is.

Q. That is where Arthur's house is?—A. Yes.

Q. I see. You have told me you understood the property began near the public wharf but I do not think you stated how far along the river it extended?—A. You mean in feet?

Q. Yes, in feet?—A. I should say approximately—it would be about 500 feet I should say at the upper end and then there was the frontage at the Hartnett's store.

Q. But how much on the river, about the same?—A. On the river?

Q. Yes.—A. No,—I think it—I do not know how the municipal wharf, whether the municipal wharf on the outside end overlaps the property or not; we have never surveyed it.

Q. I may say to you, Mr. O'Leary, that the deed which we have in evidence, the deed to the Crown, runs 737 feet upon the river, and it comes right up upon and overlaps the wharf where your brother Richard O'Leary is now doing business. Do you pretend to say that you sold all that property to your brother?—A. The deed that you have overlaps the O'Leary wharf?

Q. Yes, the deed to the Crown.—A. Well, I did not sell all that.

Q. How much did you sell, did you come within 300 feet of it?—A. Let me see the plan, I will be able to tell you better from that.

Q. Here is the plan that was produced yesterday (exhibiting plan). Here is the O'Leary wharf, and the 736 feet carries it over on to this property about 20 feet taking in the whole of this slip there.—A. You say that the deed to the government includes this?

Q. Yes?—A. I do not know anything about the deed to the government.

Q. Then how many hundred feet of this did you sell?—A. Here is what I sold (indicating on plan) I sold all this, and also up here.

Q. Yes, I see.—A. There (indicating on plan) is Hartnett's store, it is right here some place, and these are the lots of A. O'Leary.

Q. That is where some lots have been sold off?—A. And this is the old wharf.

Q. It is part of the old wharf, yes.—A. We conveyed everything from here, including this Hartnett store up to here some place (indicating on plan) I do not know where the line runs there; but there is a lot in here that we did not convey which we never owned, and there is a lot in here we did.

Q. Do you know where your brother got his property which he now occupies?—A. It was left to him by my father,

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*By Mr. Crockett:*

Q. Do you say you conveyed all this within the red lines?—A. Yes, we conveyed all this.

*By Hon. Mr. Pugsley:*

Q. But where the boundary was you said you do not know?—A. No, not exactly, not within some feet.

Q. You understood, did you not, that there was some considerable number of feet, say 200 or 300 feet between what is known as the Richard O'Leary wharf and what you were conveying to your brother?—A. There is some water there, but not land.

Q. I do not mean land, but that will be a strip or open space there?—A. There has been a space there.

Q. How wide that was you do not know?—A. No, it was about 40 or 50 feet, I should say.

Q. Here is the plan here from which it appears to be about 160 feet, do you know whether that is correct or not?—A. Well, the wharf has got washed away since the time when I saw it.

Q. Yes, and some of it has been carried away too during the past season and that may make a difference. However, you have not seen it lately?—A. July was the last time I was there.

Q. The Richard O'Leary wharf, you say came to him from his father and you understood that in some way this property, while it was bought in by your father at public auction, had been conveyed to your mother?—A. Yes.

Q. Do you remember from whom your father bought it?—A. It was at public auction, I have never seen the original deed and I do not know whether it was a sheriff's sale or just put up at auction, the auction was held in front of the Kent Hotel.

Q. Was it from Mrs. Street?—A. I do not know.

Q. You have no idea what title it was, whether Mrs. Street's conveyance was to your mother, if it was Mrs. Street?—A. No.

Q. You know the Messrs. Loggie, do you?—A. A. & R. Loggie? I know Andrew Loggie.

Q. They are a firm who do a very large business, are they not?—A. A large business.

Q. They are a wealthy firm, are they not, or supposed to be wealthy?—A. They are supposed to be.

Q. And in addition to the number of other places throughout the eastern provinces they are also carrying on a considerable business at Richibucto, are they not?—A. Yes.

Q. Where is their wharf, relative to the position of your brother's wharf, is it up or down the river?—A. Down the river.

Q. But right adjoining it, are they not?—A. No.

Q. How far away are they?—A. I should say about a thousand feet.

Q. Then there are two wharfs, the new wharf and the Wark wharf farther up the river?—A. Further up the river.

Q. Then there is the municipal wharf and this Old DesBrisay wharf, and this wharf where your brother is doing business?—A. And he has another wharf below that.

Q. And the Loggie wharf below that?—A. The Loggie wharf does not go out to the channel, but R. O'Leary's wharf down by the mill goes to the channel, he has another wharf below that.

Q. Does that wharf of O'Leary's go to the channel, I suppose it does from the plan?—A. Yes.

Witness discharged.

## APPENDIX No. 2

WILLIAM D. CARTER, Richibucto, called and examined:

*By Mr. Crocket:*

Q. You are a barrister of the Supreme Court of New Brunswick, Mr. Carter?—  
A. I am.

Q. You reside and practice at Richibucto?—A. I do.

Q. You acted as agent of the Justice Department in connection with the acquisition of this sawdust wharf by the government, I believe?—A. Yes.

Q. Did you search the title?—A. I did.

Q. You heard Mr. William O'Leary just now giving his evidence?—A. I did, yes.

Q. And referring to the transfer of property by him and the other heirs of Mary O'Leary to Richard O'Leary?—A. Yes, I did.

Q. Is the property which was described there the property which was conveyed to the government?—A. I think so.

Q. Take a look at the abstract of title there, is not that the same property?—

A. The same property, yes. I do not know that it is all the same, but I know this property is included.

Q. Your abstract of title takes notice only of this, does it not?—A. Yes, that is all.

Q. The property that went from William O'Leary, and the other heirs of Mary O'Leary to Richard O'Leary, and from Richard O'Leary and wife to Thos. O. Murray?—  
A. That is right.

Q. And the government acquired it from Thos. O. Murray?—A. Correct.

Q. You are one of the party managers of the county of Kent, are you not, Mr. Carter?—A. I do not know about that, I take an interest in it.

Q. And a very active interest?—A. Yes.

Q. And you are associated with Thos. O. Murray and George W. Robertson?—  
A. And several others.

Q. But more particularly with them and J. D. Irving in the management of the last campaign?—A. Oh, no, with others.

Q. Will you say they did not take as prominent a part as any? George W. Robertson, Thos. O. Murray and J. D. Irving?—A. I would say the two latter took a prominent part, I do not know that Mr. Robertson did.

Q. Who do you say took a prominent part?—A. Thos. O. Murray and J. D. Irving.

Q. And do you say George Robertson did not?—A. No, he was quiet, I thought.

Q. Did he not canvass actively and consult with Mr. Murray and the rest of you?—  
A. He was on the committee and in the committee rooms, but he was very quiet.

Q. Sometimes the most effective men are the most quiet men?—A. That may be, I am not criticising him at all.

Q. Now, when did—by the way, did you bring the papers here that you were asked to produce?—A. Yes, I was not asked to bring any papers, but I brought some.

Q. I mean correspondence with the Justice Department?—A. Yes.

Q. When was the deed from Murray to the government executed, can you say without looking at the deed?—A. I cannot, I should say it would be in the month of September.

Q. You can look at that (handing document to witness). A. 24th September it is dated here, that would be the time. Now, when was that deed recorded?—A. It was recorded on the 2nd day of November.

Q. And the election was when, do you remember, Mr. Carter?—A. I don't remember the date, I think it was in October.

Q. The election was on the 6th October?—A. Yes I think so.

Hon. Mr. PUGSLEY.—The Dominion election?

The WITNESS.—Yes, the Dominion election.



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*By Mr. Crocket:*

Q. After having examined the titles and prepared the deed you would send it to the Justice Department for approval?—A. I did.

Q. And then it would be returned to you by the Justice Department for registry?—A. That is correct.

Q. There is the Justice Department's file (producing file) when did you receive that deed from the Justice Department for registry?—A. I should say somewhere about the first part of October.

Q. There is a letter from the Justice Department?—A. That letter is dated September 29th. It would take two or three days to come.

Q. Read the letter please.—A. (Reads),

Sept. 29, 1908.

W. D. CARTER, Esq.,

Barrister, Richibucto, N.B.

SIR,—Referring to your letter of the 25th instant, I have the honour to state that the deed appears to be satisfactory in point of form, and I return it with the object of having it registered. I am applying to the proper department for a cheque in payment of the purchase price.

I have the honour to be, sir,

Your obedient servant,

*Deputy Minister.*

Q. And you held that deed over for a month, until the election was over, before recording it?—A. I held it for about a month, yes.

Q. When was the deed recorded? On the 2nd November I think.—A. That is what is stated there and I presume it is correct.

Q. Will you explain why you did that?—A. Well there were two reasons. The first reason was that I was very busy at the time, and the second reason was that I did not put it on the records because I did not want to at the time.

Q. And why did you not want to?—A. I did not want to because there were some people making inquiries about it and I did not want them to get the satisfaction of getting the information.

Q. You deliberately held back the registration of that deed in which the price of the property was stated at \$5,000 until after the election did you not?—A. I did for the two reasons I told you. I was very busy at the time and had not the time to do it.

Q. You acted also as agent of the Justice Department in connection with the purchase of the municipal wharf?—A. I did.

Q. Are you a regular agent for the Justice Department?—A. No, I am not.

Q. You were recommended as agent in this particular matter at the request of Mr. Pugsley, were you not?—A. I do not know.

Q. You are not aware of that?—A. No.

Q. Well, I will put something in from the files which will show you were?—A. Perhaps so, I don't know.

Q. Which requests that you act in this matter. A. Yes? I do not know that it does.

Q. However you did act?—A. I did act.

Q. And you acted also in connection with the purchase of the other property?—A. Yes.

Q. The cheque itself was made payable to you and to Thomas O. Murray?—A. Yes.

Q. So that Murray could not get the money without your knowing about it?—A. Oh, yes, he could get the money; he could not get the cheque without my endorsement.

Q. Without your endorsement?—A. Yes.

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Hon. Mr. PUGSLEY.—Mr. Carter did not say whether the cheque was handed over before the 2nd November or not.

Mr. CROCKET.—I think the evidence is in that the cheque was dated 6th October, and I think Mr. Murray said the cheque was back here in Ottawa by the 12th October.

*By Mr. Crocket:*

Q. Do you remember about the receipt of that cheque?—A. I do remember receiving it.

Q. The campaign was on then in pretty good shape?—A. It was, I think. Yes I am quite sure it was.

Q. And do you know of the cashing of the cheque at the Royal Bank?—A. I do not know. I handed the cheque over in my office to Thomas O. Murray and I never saw it afterwards or heard of it until I heard it here.

Q. You visited the town of St. John several times during the month of October, did you not?—A. No I don't think I did. I do not recollect being in St. John at all.

Q. In the month of October?—A. In the month of October.

Q. Nor in the month of September?—A. I may possibly have been but I do not recollect it.

Q. Do you not recollect seeing the minister in St. John?—A. I certainly did not see the minister in St. John.

Q. Did you go to St. John with Thomas O. Murray?—A. No I did not.

Q. Do you know of Murray going with you?—A. I do not. He might have gone but I do not remember.

Q. Do you say he did not?—A. I do not remember of his having gone. I know I did not go with Murray. The way I happen to know is because I had no reason.

Q. But you know of Murray going to St. John?—A. I do not remember it.

Q. You do not remember it? I think you and Murray went?—A. Oh, no, I do not know anything about it.

Q. Now when you prepared this abstract of title there was no deed from O'Leary to Murray on record when you made the search?—A. I don't think so. Do the documents show that there was any deed on record? I cannot remember these things Mr. Crocket.

Hon. Mr. PUGSLEY.—Show him the abstract of title. That will tell.

Mr. CROCKET.—I showed him the abstract.

The WITNESS.—You want to know if there was a deed then and whether I saw it on record.

*By Mr. Crocket:*

Q. That is what I want?—A. Well, I cannot remember.

Q. You cannot remember?—A. No, I cannot.

Q. Just look over the Department of Justice file and see if you can find your letter to the department in connection with that. I think you will find Murray's deed was recorded 23rd of September, and your abstract was prepared before that?—A. That may be. You want me to refer to my letter to the department, you say.

Q. Yes?—A. I do not see anything in that.

Q. In your letter sending the deed up, I think for approval?—A. I do not see anything in that. (Reads)

'Sir,—I beg to acknowledge receipt of letter of 17th instant in this matter and to state that I have searched the title to the property and find a good title in Thomas O. Murray.'

Q. What is the date of that?—A. That is 25th September.

Q. Is there not another letter previous to that from you to the department?—A. Not that I know of.

Hon. Mr. PUGSLEY.—Are you not in error in saying that the letter was written to the Justice Department before the Murray deed, it was written afterwards according to that.

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The WITNESS.—I am not stating that.

Hon. Mr. PUGSLEY.—I am speaking to Mr. Crocket.

Mr. CROCKET.—I am speaking of the Murray deed which was recorded on the 23rd September.

Hon. Mr. PUGSLEY.—This report is dated 25th September, that is judging from what you stated.

*By Mr. Crocket:*

Q. You searched the title?—A. When I got him to put it on at the time. I rather imagine so but I don't remember.

Q. You got him to put it on?—A. Yes.

Q. When you took up the question of searching the title you knew the whole transaction did you not, that Murray had bought this property for \$700?—A. No, I did not hear seven hundred, I heard a thousand.

Q. You knew that when you began to search the title?—A. Yes.

Q. And that he was selling the property for \$5,000?—A. I did not know that until I got that letter from the department.

*By Hon. Mr. Pugsley:*

Q. Had you anything to do with this matter beyond simply acting as solicitor in connection with the completion of the title?—A. Nothing whatever. The only thing I had heard before was street rumour, that Murray was selling this to the government. Other than that I knew nothing.

Q. You were responsible for the completion of the title for the government?—A. Yes.

Q. And that you attended to?—A. Yes.

Q. And had the conveyance placed on record?—A. Yes.

Q. Well now, you say that you did not know the government was paying \$5,000 for the property until you got that letter?—A. Until I got this letter.

Q. Until you got the letter from Ottawa?—A. Yes.

Q. Do you know the property yourself?—A. I do.

Q. How long have you lived in Richibucto?—A. I have lived there about 20 years.

Q. And have you been actively engaged in the practice of your profession there?—A. I have been a barrister there during that time.

Q. Mr. Richard O'Leary swore when upon the stand that Richibucto was going back, that business was declining. I do not know whether he said the grass was growing upon all their streets or not, but he gave the impression that it was a town rapidly sinking into a state of decay. What do you say about that?—A. It is, of course, a matter of opinion, but my opinion is that all the north shore towns are going ahead. I have good reason for saying so, business is better. There are three stores Mr O'Leary's among the number, that would do credit to a town of 5,000 people.

Q. Mr. O'Leary is not the only merchant in Richibucto?—A. No, there are several merchants, he and Mr. Forbes and Messrs. Loggie all have business places there, much better business places than were there ten or fifteen years ago.

Q. So I understand that you would say there is a marked improvement of recent years?—A. I would say so, and then again I would say that after the railway came in the business increased very largely.

Q. It is increasing largely?—A. From 50 to 75 per cent.

Q. From 50 to 75 per cent?—A. Yes.

Q. Mr. O'Leary, in answer to a question I put to him as to the desirability of extending this wharf, so as to give an opportunity of placing the railway cars on the face of the river, in order to facilitate the loading and discharging of vessels from the railway, stated there was never more than one freight car came there with a load at a time, or about that?—A. Well, I have seen several cars on it at a time.

Q. You have seen trains coming in with a number of freight cars on?—A. I



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think that Mr. O'Leary was referring to the regular train when he spoke of one freight car, sometimes I have seen three or four refrigerator cars attached to it.

Q. Are there large quantities of fresh fish shipped from there?—A. Yes, large quantities.

Q. And are the Messrs. Loggie in that business as well?—A. Yes, and Mr. Forbes as well, and Mr. W. J. Loggie, I think, sometimes comes there. I do not know whether he was there this year or not.

Q. I understand from the evidence that we have received that it would greatly facilitate that business if the present wharf were extended and the railway tracks carried along the face of it?—A. I remember one time when Mr. O'Leary, Mr. Forbes and Messrs. Loggie who are in the fish business, made an effort to get the road down in that direction, they not only offered to give a right of way to the railway themselves, but they tried to get a right of way from the other riparian owners there, so that the train could be carried down there.

Q. Would you, or would you not say that for the purpose of carrying on that business as well as for other lines of business where the goods are brought in and taken away by rail, or where there is an exchange of freight between the vessels and the cars that it would be of very great advantage to have the wharf there with a railway track upon it, or to have a wharf adjoining the railway track?—A. I would say that it would be of very great advantage because at the present time they are cramped for room, where the railway runs down to deep water it comes at right angles to the channel, and along the slip, but the water in the slip is too shoal for vessels to get in there, so that they are cramped for room as far as that is concerned.

Q. And in your opinion is the extension of that wharf down the river on the property which the government has purchased desirable in the public interest?—A. I think it is very desirable in the public interest.

Q. We have in evidence that Mr. O'Leary made an offer to sell part of this property to the government for \$1,000, and we have it marked on the plan showing the strip which he proposed to sell, would you just look at this plan, Mr. Carter? He proposed to sell a strip 227 feet wide on the river which would leave him with that 360 feet of water frontage between this property which he proposed to sell and his present wharf, and also a strip of 150 feet between it and the railway wharf which the government bought from the municipality (illustrating on plan). Now, for the purpose of business I want to ask you how that piece adjoining the railway wharf, which he proposed to reserve would compare in value, looking to the development of business there, how would it compare in value with the portion which he proposed to sell?—A. You mean as far as the wharf is concerned, or what could be done with it.

Q. I mean as a valuable piece of property out of which revenue could be derived and where business could be carried on?—A. Naturally the handier it was to the railway the more desirable it would be for business in that locality because it is largely a fish business, but of course Mr. O'Leary has his own wharf.

Q. I mean looking to the business development that might be expected, the part close to the railway would be I presume, most valuable?—A. Certainly.

Q. The Messrs. Loggie, I think, while they do business at Richibucto, do not reside there?—A. Andrew Loggie resides at Dalhousie, and Robert and Frank live at Loggieville, in the county of Northumberland.

Q. Do you know the firm of A. & R. Loggie?—A. I know Andrew Loggie very well.

Q. From your knowledge of Andrew Loggie and of the firm and its reputation, do you think it likely that they would make a proposition which they did not intend to carry out and which they were not prepared to carry out?—A. I think if they made an offer they would stand by it.

Q. They would stand by it, you are quite sure of that.—A. Yes.

Q. If you owned that property, situated as it is in the centre of the town with 400 feet frontage on the main street, and having a water frontage of 730 odd feet, I

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want to ask you whether or not you would consider it fair value for \$5,000, or whether you would sell it for less?—A. That would depend on what business I was in, if I was in business in Richibucto and wanted a wharf for the fish business I would consider it was worth it. If I did not want a wharf, it would of course be worthless to me.

Q. If you wanted it for business purposes you would consider it worth \$5,000?—A. I would, it is a wharf that could not be built for that if a man wanted it.

Q. Do vessels pass up and down in front of this wharf?—A. Certainly.

Q. There is a good channel in front of it, is there not?—A. There is a good channel in front of it, and until within the last few years vessels have laid at that wharf; I have been on vessels myself at that wharf.

Q. Mr. Richard O'Leary swore that there had not been a vessel there within 40 years?—A. I have reason to remember that they have by reason of an accident that occurred there in which I nearly lost my child when I was on board a vessel that was lying there.

Q. How many years ago is that?—A. 15 or 17 years ago, and the government dredge *St. Lawrence* was lying there at the same time.

Q. She had tied up at the wharf, had she?—A. She was tied up at the wharf and I think you will find if you refer to the Auditor General's Report that she paid wharfage there.

Q. Of course if it were a thoroughly completed wharf which did not require improvements to be made on it you would not expect it to be bought for many times \$5,000.—A. There is a large tract of land there.

Q. Which is all available for wharf purposes?—A. I would say if it were repaired it would make a good wharf; I am not much of a judge of wharfs, but from my ordinary knowledge I would say that it would make a good wharf.

Q. The impression has been sought to be made that it is not accessible for vessels?—A. The channel runs right in front of it the same as it does in front of the municipal and O'Leary wharfs.

Q. In your judgment was the acquisition of this property necessary for the proper development of the government property there, and in order to give the required facilities for business in connection with the railway?—A. I think so, not only in connection with the railway but in connection also with the public building lot that it possesses right across the street; it was very desirable.

*By Mr. Crocket:*

Q. From a shipping standpoint do you say that the acquisition of that wharf property was necessary in any way for the shipping business at Richibucto?—A. I think so, I would say so.

Q. Do you say it would?—A. Yes, I would.

Q. Nothing has been done to the wharf since it was purchased in the fall of 1908?—A. Well, I understand—

Q. Has anything been done?—A. To that wharf?

Q. Yes.—A. No.

Q. You knew, did you not, that the government had a few months previously taken over the municipal wharf?—A. I did.

Q. And that that wharf was under lease to the Kent Northern railway for fifty dollars a year?—A. Merely a nominal thing though, it did not represent the value at all.

Q. But that is what they paid?—A. It was because their track was run there.

Q. Fifty dollars was the annual rental?—A. Yes.

Q. And the municipality was supposed to keep that in repair under that arrangement?—A. I don't know about that. That may be so, I am not denying it.

Q. You are aware of that?—A. No, I am not aware of that.

Q. You are aware it is so or not?—A. No, I am not aware of it.

Q. The municipal wharf was built right out to the channel, close to the face of the channel?—A. Yes.

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Q. And was in use by the Kent Northern railway?—A. Yes.

Q. With tracks upon it?—A. Yes, one track down to the——

Q. And did you know that Mr. Resident Engineer Stead had made a report providing for additions, extensions and renewal of that wharf to the amount \$11,500?—A. I did not know anything about it.

Q. Well, you knew, did you not, that work was going on pretty vigorously during the months September and October, 1908, for the repair of that wharf?—A. Yes, and I think the previous year. I am not sure but I think it had been going on the previous year.

Q. And do you tell me that the repairs that were arranged for and were still in progress did not provide all the accommodation that was required for railway purposes for the Kent Northern railway?—A. Not if it were intended to extend the railway down and to have a track running along the channel. As I told you this track caused much enlargement.

Q. Not by turning the track and running it parallel to the wharf?—A. I say it could not be done on the municipal wharf.

Q. You say it could not be done on the municipal wharf?—A. No.

Q. And you go on record here, do you, as saying that wharf is necessary for the shipping at Richibucto as it is to-day?—A. I say it is desirable.

Q. It is desirable?—A. Yes, that is the word I used.

*By Mr. Reid (Grenville):*

Q. Why?—A. Because you want wharf accommodation as far as the railway is concerned, that is why.

*By Mr. Crocket:*

Q. As far as the railway is concerned?—A. Yes.

Q. And you put it entirely upon the ground of the railway?—A. I do certainly, and also I put it as a very desirable property as regards the public building lot.

Q. I am aware of that. That is just so that the land should not be built up in front of the public building lot?—A. Yes.

Q. But I am discussing it from the railway standpoint?—A. Yes.

Q. Now, was it at the instance of the railway that the municipal wharf was acquired and these repairs undertaken?—A. I do not know that.

Q. You do not know that?—A. No.

*By Mr. Reid (Grenville):*

Q. You say this wharf is desirable in the interests of the railway,?—A. Not in the interests of the railway, but in the interests of the shippers over the railway.

Q. Over the railway?—A. Yes.

Q. Are you one of the owners of the railway?—A. I am, yes.

Mr. CROCKET.—That reminds me. Here is a letter that was written to the Hon. Wm. Pugsley from Richibucto on May 20th, 1908.

Hon. Mr. PUGSLEY.—Will you allow me to read it? I see it is already in evidence.

Mr. CROCKET.—You did not think there was a letter, Doctor, did you?

Hon. Mr. PUGSLEY.—I do not know. I am a ready writer you know.

*By Mr. Crocket:*

Q. Have you seen that letter before (handing letter to witness)?—A. I heard it read here, I did not see it.

Q. You heard the letter read?—A. Yes.

Q. Do you know the initials at the bottom of the letter——‘Kent Northern Railway, per G.W.R.’?—A. The initials I would take to be those of George W. Robertson.

Q. That is the gentleman to whom you referred in connection with the elections?—A. To whom you referred.



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Q. And you answered in connection with it that he was a very quiet man in the committee room.—A. Very, very much so.

Q. Have you any knowledge of the preparation of that letter?—A. I have not, I was away at the time.

Q. You were away at the time?—A. Yes.

Q. You told Dr. Reid that you were one of the owners of the Kent Northern railway?—A. Yes.

Q. Do they carry on their correspondence in the manner as read?—A. In which manner.

Q. By typewritten letters with 'Kent Northern railway, per G.W.R.'?—A. Very often typewritten letters come and I very often write to them in my own office, but not 'per G.W.R.'

Q. These are Mr. Robertson's initials, I suppose?—A. Yes.

*By Mr. Reid (Grenville):*

Q. Who is G. W. Robertson?—A. He is also a part owner.

Q. He is the same George W. Robertson who came to see the minister about this wharf?—A. I do not know about that.

Hon. Mr. PUGSLEY.—He did not swear that he came to see the minister about the wharf.

Mr. REID (Grenville).—Did he not?

Hon. Mr. PUGSLEY.—That is a delusion on your part.

Mr. REID (Grenville).—I thought Mr. Murray swore to that.

Hon. Mr. PUGSLEY.—No, he did not. Attention was called to that and it was corrected. Mr. Murray swore that he did not speak to me about this wharf so far as he knows.

Mr. REID (Grenville).—Then I misunderstood him.

Hon. Mr. PUGSLEY.—I accept your apology, doctor.

*By Mr. Crocket:*

Q. You spoke about having seen a number of vessels lying at this wharf?—A. Yes.

Q. You referred to an accident by which you nearly lost one of your children?—A. Yes.

Q. How came that accident to occur?—A. She fell in.

Q. Through the wharf, did she not?—A. She fell through the wharf, yes.

Q. And you spoke also of the dredge *St. Lawrence* being there at the time?—A. There were numbers of vessels there. The *George McLeod* was there, and the *Minnie E. Moody* and others.

Q. At this wharf?—A. Certainly, at that time.

Q. The dredge that you spoke of had to go to the municipal wharf for its coal?—A. Had to.

Q. Yes, at that time?—A. I do not remember. I presume that if the coal came in by railway it would have to go there to get it.

Q. At the time that you speak of was that wharf in condition at all for use as a wharf?—A. Yes.

Q. Is it to-day?—A. With the facing I should say that it is a good wharf.

Q. With the facing you would say that it was a good wharf?—A. Yes, with the repairs that would naturally have to be made and the facing.

Q. Do you tell me that, Mr. Carter?—A. I do.

Q. That that wharf is a good wharf to-day with the facing?—A. I said with the repairs and facing it would be a good wharf.

Q. Have you been on that wharf this last year?—A. Oh, yes, I have.

Q. Is not that wharf full of holes? Is it not composed of decayed sawdust, so that if you step on any part of it you are not certain that you may not go through?—A. No, I do not say that. Inside where the old saw-mill was filled in between the

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cribwork with decayed sawdust. On the outside, as far as I can remember—I have not examined this particularly in order to tell you—but my recollection is that outside it is ballast.

Q. Outside? A. Yes, and what is more, it was stated here, as I understand it, that the outside—

Q. That is under water?—A. No. It is the highest wharf in town, the outside of it.

Q. The highest wharf in town?—A. Yes.

Q. Did you hear Mr. Stead yesterday state that he had reported to the department in his official statement that this wharf was washed away? A. That would be down—

Q. Down to low water level? A. That is not so. Along the edge may be, but there is a place inside where they keep boats and that sort of thing. In high tide—and we had the highest tide there probably a couple of months ago that we have had for some time—the other wharfs were submerged, and that inside was submerged, but the part outside was above the level.

Q. Do you contradict Mr. Stead's statement when he said that this wharf washed away down below low water level?—A. I contradict it as far as that part of the wharf is concerned.

*By Hon. Mr. Pugsley:*

Q. You say that while at its very outer part it may have been knocked down, what you speak of as the front portion of the wharf is the highest of any wharf?—A. No, I do not mean the front portion, I mean the portion adjoining the frontage, the ballast portion of it.

Q. And with improvements to the face of the wharf and making reasonable repairs you say it would be a good wharf property? A. I can see no reason why it would not be.

Q. In answer to Mr. Crocket, you spoke of it being desirable to extend the wharf from a railway standpoint?—A. I would say so, yes.

Q. And you also referred to the fact of the rent paid being a nominal rent?—A. I always regarded it as such because the railway track went through it and it was of more use to them, and it was also for the accommodation of the public.

Q. Now, could the wharf upon the property bought from the municipality be extended at all beyond what it is to-day, unless the government had made the purchase of the adjoining property?—A. You mean extended in this direction (indicating on plan)?

Q. Yes?—A. No, because it runs up to the limit, as you can see from the plan; the purchase was necessary if you intended to do that.

Q. The purchase would be then in the public interest if it were desired to extend it?—A. Yes.

*By Mr. Reid (Grenville):*

Q. The principal reason for extending this wharf, as I understand is in order that the Kent Northern railway may be extended on it, am I right in that?—A. I did not say that.

Q. I thought you did. Well, this railway you were talking about, how many trains a day are there on it?—A. It is a branch line and there is one regular train out and one train in.

Q. That is one train a day each way?—A. Yes.

Q. Does that mean that one train includes the freight? A. It is a mixed train.

Q. Is there much business done by this railway on the wharf?—A. In summer time, oh yes.

Q. In the summer?—A. Yes.

Q. Take the last three months have you had many freight cars down on this wharf? —A. Well, during the last three months say or the greater part of it, there has been no shipping there, the river freezes up.

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Q. It freezes up?—A. Yes.

Q. Well, what about September and October, was it frozen up then?—A. Was it frozen up in September? No, not in September or October.

*By Hon. Mr. Pugsley:*

Q. Take the last six months?—A. During the last six months; well the wharf has been undergoing repairs there, they are working at a disadvantage.

Q. They have been working in such a way that you could not take freight on this wharf?—A. Not very well, I do not think so. Mr. Murray would know better about it than I, but I would not like to risk an engine on that wharf.

*By Mr. Reid:*

Q. Do you swear that you could not take freight on that wharf during the last six months?—A. No, I do not, but I say it would be very risky, I think, to take an engine there.

Q. You do not know whether there has been any freight shipped on that wharf?—A. I do not know whether there has been any freight shipped or not.

Q. I understand that the only freight that has been shipped on that wharf has been by Mr. O'Leary himself, and that was 15 cars of lumber?—A. Since what time?

Q. During the last season.—A. My idea is that as far as lumber is concerned Mr. O'Leary is the smallest shipper who is concerned.

Q. I am speaking of the quantity that went over that railway wharf?—A. I can not tell you about that.

Q. You do not dispute that, do you?—A. I do not dispute it, I cannot.

Q. You only think that the sawdust wharf is necessary for business done by this railway?—A. I think it is desirable.

Q. Is it necessary, not desirable?—A. No, it is not absolutely necessary, but you cannot get along advantageously without it.

Q. Do you mean to say that the present wharf, that the railway wharf is not sufficient to do their business advantageously?—A. I do.

Q. And you say it is necessary to extend the wharf?—A. I say it is necessary in order to do their business advantageously. I say it is necessary to have a track along the water front to do business advantageously.

*By Mr. Loggie:*

Q. Speaking about this wharf, it was asserted before this committee that all the face of the wharf has been worn away, you heard that in the evidence?—A. Yes.

Q. I would like to ask you, from your knowledge of the wharf, do you know that the face of that wharf has been washed away down to the low water mark?—A. The last time I saw it, my recollection is that below the water mark the facing was there, but I would not be absolutely sure.

Q. But to the best of your knowledge the facing from the low water mark down to the bottom of the channel was there?—A. The last time I saw it there was some of it there anyway, I do not know whether it was all there or not, I could not tell.

Q. Then it is not correct that all the cribwork on the face of this wharf has been washed away?—A. I would not think so.

Q. Did you ever see any block of this cribwork further up the river?—A. I saw it when they were putting the drain in, I should say that when they had carried it out 100 feet from the public building they had to cut through the cribwork, big, strong, stout timber.

Q. The portion of the wharf you spoke of as being solid is where the ballast is, and it would be under the ballast where the cribwork would be?—A. Certainly.

Q. So that to the best of your knowledge, from what you have said, if that ballast were removed we would find underneath it fifteen feet of cribwork?—A. I would think so, I do not see how it could get away with the ballast there.



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Q. And you could bring vessels drawing a considerable depth of water and load them there when within reach of the wharf with 15 or 18 feet of cribwork—originally there must have been 15 or 18 feet of water there?—A. I could not say as to that, but originally it must have been built up with cribwork or the ballast would not have been there.

Q. The ballast has fallen out over the other portion of the cribwork, and it would appear as the shore—A. Yes, that is it.

Q. But if you look below the water, why you have 13 or 14 feet of cribwork along 600 or 700 feet of water front?—A. I could not tell you anything about it, all that I know is that the cribwork must have been there, because the ballast is there, and the cribwork could not get away while the ballast is there.

Q. And if it were washed away by easterly storms in a block it would show up along the shore farther up?—A. I would think so.

Q. Did you ever see any portion of it along the shore after a storm?—A. No, I do not remember doing so.

Q. There is no evidence, except that it is not in sight at low water, but that it is there still?—A. I think so.

*By Mr. German:*

Q. You know the value of property in this village, where this wharf is located?—A. I know it pretty well.

Q. You live in this neighbourhood?—A. Yes, at least for the last twenty years or more.

Q. At the very village where the dock is located?—A. Yes.

Q. Then, I suppose you would have a knowledge of the value of real estate?—A. Yes, a sort of knowledge.

Q. What do you say as to the fair value of this property which the government, purchased as shown on the plan which is here?—A. I have stated that, sir.

Q. I did not happen to be here, I would like to know what your opinion is.—A. I stated that if a man wanted the wharf for any business I would consider it fair value; if he did not want the wharf, or if it was not in his line he would not pay anything for it, it would be useless.

Q. Is the land worth anything in itself, irrespective of its wharf value?—A. Of course it is.

Q. What is it worth?—A. Mr. O'Leary's evidence was that he was selling lots at \$100 a lot, I suppose they are 50-foot lots, that is along the river there, of course, at other places it would be different.

Q. Would your valuation of the property be that divided up into lots 50 by 100 feet it would be worth \$100 a lot?—A. I would say so, yes, that would be about it.

Q. That would be a fair valuation?—A. I am taking Mr. O'Leary's statement as to what he sold them at, I think it would be fair on that basis.

Q. Well, taking its valuation for what it was worth, what is your own view of the matter?—A. My own view is that if a man wanted it it is worth about \$100. I know there was a lot just adjoining on the other side of the street sold for \$400.

*By Hon. Mr. Pugsley:*

Q. How large a lot is that?—A. Just about the same size.

*By Mr. German:*

Q. And the dock can be used, it is worth something I suppose?—A. The dock.

Q. Yes.—A. What do you mean?

Q. The wharf?—A. Oh, yes, the wharf will have to be repaired and when it is once repaired, it is a good wharf.

Q. What will it cost to repair?—A. I do not know, I am not an engineer.

Witness examined.

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Mr. H. H. JAMES, called, sworn and examined.

*By Mr. Crocket:*

Q. You are a barrister?—A. Yes.

Q. I understand that you prepared the deed from Richard O'Leary to Thomas O. Murray of the property of what is known as the sawdust wharf?—A. Yes.

Q. In the month of May, 1908?—A. Yes.

Q. Do you remember that?—A. Yes.

Q. Will you just state please, Mr. James, what took place in connection with the transfer of that property as far as you know?—A. Well, in May, I think it was the 19th, Mr. Murray came to me at my office and asked me—he informed me that he was buying the sawdust wharf from Mr. O'Leary and I accompanied him down to Mr. O'Leary's office and I was instructed—

Mr. GERMAN.—There is just a question in my mind whether private conversation between Mr. Murray and Mr. O'Leary have anything to do with the matter under discussion. Here is a question as to whether or not the government is paying more money for property than it should. What can anything that took place between Mr. Murray and Mr. O'Leary, have to do with this matter?

Mr. CROCKET.—Do you object Mr. German?

Mr. GERMAN.—I certainly think it is not evidence that this committee should receive as against the government as regards the purchase of this property.

The CHAIRMAN.—The position, Mr. German, is this—that Mr. Murray is really one of the parties to this transaction. He is the only man with respect to whom, I think, this evidence could be given.

Mr. GERMAN.—He sold the property, certainly.

The CHAIRMAN.—To the government.

Mr. GERMAN.—And the government paid for it.

The CHAIRMAN.—That is right.

Mr. GERMAN.—What can any private arrangement between Mr. Murray and Mr. O'Leary have to do with the transaction between Mr. Murray and the government? The government paid Murray \$5,000 and the question is, did they pay him too much or was there any collusion between the Department of Public Works and Mr. Murray.

Mr. CARVELL.—That is the question.

Mr. GERMAN.—Any arrangement between Mr. Murray and Mr. O'Leary cannot have anything to do with it.

The CHAIRMAN.—Except that it is desired to show what the real cost of the land was.

Mr. GERMAN.—It cost \$1,000, as I understand.

Mr. REID (Grenville).—No, \$700.

Hon. Mr. PUGSLEY.—There is a dispute about that.

The CHAIRMAN.—I think the information is already before the committee and I do not see any reason why the matter should not be gone into more especially in view of the fact that Mr. Murray is the man who sold the property to the government.

Hon. Mr. PUGSLEY.—What occurred to me, Mr. Chairman, was this: Anything that concerned any improper conduct on the part of any government engineer, on the part of any officials, or on the part of the department would be important, but what may have taken place between Mr. Murray and Mr. O'Leary which may have induced the latter to sell at a certain price would not be material unless it was communicated to the engineer or some official of the department. I agree that the question is, as to whether the government paid what was beyond the value of the property and if so who is to blame for it.

The CHAIRMAN.—That is the view I take myself and I understand that is what Mr. Crocket wishes to get at, but the information that he is looking for is already before the committee.

Mr. CROCKET.—Does the minister object to this evidence being given.

## APPENDIX No. 2

Hon. Mr. PUGSLEY.—I do not object, otherwise you would have been stopped long ago. A great deal of the evidence you have put in is not relevant.

Mr. CROCKET.—Shall I go on?

The CHAIRMAN.—You can ask the question.

The WITNESS.—Then I was instructed to prepare a deed of the sawdust wharf from Mr. O'Leary to Mr. Murray which I did on that day. I took it down from Mr. O'Leary and had it executed by him and his wife and handed it over to Mr. Murray.

Q. That was on the 19th of May?—A. On the 19th of May. That is the date of the deed.

Q. Was there anything further in connection with the transfer of property after that?—A. Well then Mr. O'Leary informed me that Mr. Murray was not in a condition to pay it.

The CHAIRMAN.—I do not think you can go into that.

The WITNESS.—Well Mr. Murray was present at the time when it was arranged that a mortgage would be given to secure the payment of the money and that night or the following morning—at any rate the following morning of the 20th—I completed the mortgage for the \$1,000 the consideration of the deed, and took it to Mr. Murray's house and had it executed by him and his wife, and in pursuance of the instructions I had I placed it with the registrar of deeds to be placed upon the file in case anything should occur if Mr. O'Leary did not get his money.

*By Mr. Crocket:.*

Q. You were approached as solicitor in connection with the alteration of the description of the deed?—A. I was, yes. Later on some short time after that—I think it would be perhaps the first part of June, I cannot remember the exact date—

Hon. Mr. PUGSLEY.—Mr. Chairman pardon me what can that have to do with the matter?

The CHAIRMAN.—I think the witness is wandering away from the subject.

The WITNESS.—Well about that date on or about the 2nd or 3rd or 4th of June I think it would be, I was standing in the Leblanc hotel corridor, when Mr. Murray came and said that Mr. Stead would like to see me in the front room. I went in and Mr. Stead was there and Mr. Murray and myself in the front room of the hotel. Mr. Stead had the deed that I had made from Mr. O'Leary to Mr. Murray and called my attention to the description of the deed and asked if I would make a change in it. I pointed out that I did not think it was necessary. I just do not remember exactly in what exact particular it was but I did not consider that it was necessary at all. However, he thought that it was, that the government was particular in matters of that kind, that he had measured or surveyed the land or something of that kind and he thought a word or two changed would make it right as he thought it should be. However, I told him that I could not do it without Mr. O'Leary's consent as the deed had been executed and gone out of my hands, but I would see Mr. O'Leary. And I asked him if he would mind crossing the street to Mr. O'Leary's office, he was in his office then, I asked him to go over and see him about it, but that he did not wish to do. I said I would see Mr. O'Leary about it and see if he wished to make any change in the deed, if he did I would only be too pleased to have it done if it were necessary.

Q. Do you remember previous to that, Mr. James, if the deed had been drawn up with an altered description?—A. With an altered description to the property?

Q. Yes, and presented to you or to Mr. O'Leary?—A. No.—from Mr. Murray?

Q. Yes?—A. No.

Q. You do not remember; I was under the impression that we had here—A. There was another deed, but not a deed of the same property.

Q. But a deed of additional property?—A. There was another deed, I prepared another deed at the instance of Mr. Murray of a portion of the rear land not that covered by the previous deed, that was some day or two afterwards.



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Q. That was on the 19th?—A. It was somewhere about the 22nd, I think that would be about the date, I prepared the deed from Mr. O'Leary to Mr. Murray.

Q. And was that deed executed by Mr. O'Leary?—A. No—it was executed, I think it was executed, but not delivered. I just forget, I know it was not made over.

Q. That deed contemplated the addition, an enlargement of the property that was set out in the first deed?—A. Yes.

Q. And that was not completed?—A. No.

Q. And you say that was a day or two after the 19th?—A. A day or two afterwards, yes, I think about the 22nd.

*By Hon. Mr. Pugsley:*

Q. Mr. James at that time when Mr. Stead spoke to you about the description of the deed, the deed from Mr. O'Leary to Mr. Murray had actually been executed, had it not?—A. Yes.

Q. And it had been left at the Record office?—A. The deed, no.

Q. The deed had not been left at the record office but the mortgage had?—A. Yes.

Q. Who held the deed?—A. Mr. Murray.

Q. Then the deed had been executed by Mr. O'Leary, and delivered to Mr. Murray?—A. Yes, Mr. Murray wanted to take it to St. John, as I understood.

Q. We have it in evidence that prior to Mr. Stead coming to Richibucto and making an examination of the property, a survey, and seeing you, he had received directions from Ottawa to make a report?—A. Yes.

Q. Are you aware as to whether or not he is correct in that statement?—A. I do not know.

Q. You know nothing to the contrary of that?—A. No.

Q. So far as you know that statement that Mr. Stead made is correct is it not?  
A. As far as I know, I do not know anything to the contrary.

*By Mr. Reid (Grenville):*

Q. About the 19th of May you said that you met Mr. Stead and Mr. Murray in the hotel?

Hon. Mr. PUGSLEY.—No, he did not say that he met Mr. Stead on the 19th of May.  
—A. No, it would be on or after the first of June.

*By Mr. Reid (Grenville):*

Q. Then who were the gentlemen you met in this hotel about the 19th May?

Hon. Mr. PUGSLEY.—It was Mr. Murray and Mr. O'Leary he met on that occasion.

*By Mr. Reid (Grenville):*

Q. In reference to the request to change the description in the deed I understood you to say that you met Mr. Murray and Mr. Stead in the hotel room?—A. Yes.

Q. On what date was that meeting?—A. Somewhere about the 3rd or 4th of June.

Q. And Mr. Stead led you to understand that the government were purchasing this property?—A. Yes.

Hon. Mr. PUGSLEY.—The witness did not say that Mr. Stead led him to understand that the government were purchasing the property.

Mr. REID (Grenville)—That is what he said.

Hon. Mr. PUGSLEY.—No, that is what you said, the witness did not say it.

*By Mr. Reid (Grenville):*

Q. Did you understand from Mr. Stead at that time that the government were purchasing the wharf?—A. I understood that from the other side.

Q. Didn't he tell you the consideration?—A. In what? As to the \$5,000 in the deed?

Q. The purchase price the government were paying?—A. No, I do not know that he did.

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*By Hon. Mr. Pugsley:*

Q. Now, Mr. James, did Mr. Stead tell you anything more than this, that he had been instructed by the government to make a report upon the property?—A. I do not think he told me that he had been instructed to make a report, all I remember him telling me was that the government were very particular about matter of that kind and that he wanted the description right.

Q. That he wanted to have the description right, that is all?—A. That is it.

Witness discharged.

T. O. MURRAY recalled:

*By Hon. Mr. Pugsley:*

Q. Mr. Murray, when Mr. O'Leary was upon the stand he admitted that he had hauled away, or that his man had hauled considerable quantities of ballast from this wharf after it was purchased from the government, and he gave as an excuse that you had done the same thing. I want to ask if that is true or not?—A. No, sir, it is not.

Q. Did you haul any ballast away or did you give permission to any one else to do so?—A. No, sir.

Q. You did not. We have it in evidence that a quantity was hauled, in addition to that which was taken by Mr. O'Leary, by the commissioner of the provincial government. Was that done without your authority?—A. No.

Q. Do you know whether there was a large quantity of ballast hauled away by Mr. O'Leary's men and by the provincial government's men?—A. Well, there has been quite a large quantity taken by Mr. O'Leary I know.

Q. What did Mr. O'Leary do with it?—A. He hauled it over on to his other wharf.

Q. He took away the ballast from the government wharf and hauled it over on his own wharf?—A. Yes.

Q. Now with regard to the Kent Northern Railway, Mr. O'Leary gave the impression that the railway is doing very little business, and that the place, Richibucto, is going behind. Has your business on the railway been decreasing in recent years?—A. It has increased.

Q. When did the new ownership of the railway begin, what we call the new ownership?—A. About 6 years ago.

Q. What were the receipts during the last year before the change was made, the year 1902 and the earnings for the past year? This is a memorandum made by you, is it not?—A. By our bookkeeper.

Q. Well, can you tell me what they were in 1902?—A. In the year 1902 there was \$13,022.29.

Q. And in the year 1909, how much?—A. \$17,562.83.

Q. Now, taking it for the whole period, that shows quite a satisfactory increase in the business, does it not?—A. Yes.

Q. And, as a matter of fact, has there not been a fairly satisfactory increase in business during those recent years?—A. Yes.

Q. How do you know that this gravel Mr. O'Leary hauled was taken off this wharf?—A. By the plan.

Q. You are acquainted with the situation here, did you see this gravel hauled personally off this wharf?—A. Did I see it?

Q. Yes?—A. Yes.

Q. And you know that it was taken off the property owned by the government?—A. Yes, the property I bought.

Q. And you swear to that positively?—A. Yes, I do.

Q. Are you one of the owners of this railway?—A. I am.

Q. And is Mr. Carter another?—A. Yes.

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Q. And is Mr. Robertson another?—A. Yes.

Q. Did you say that Mr. O'Leary did this personally?—A. Mr. O'Leary's employees did.

Q. They hauled the ballast off the wharf?—A. Yes.

Q. And it was put over on his own wharf?—A. Yes.

Q. When was that done?—A. Well, it has been done practically ever since the government bought it, off and on, and in fact before I got my pay for it from the government he was taking it, even while I owned it.

Q. How long did you own it—only a little while, wasn't it?—A. It was quite a while before I got my pay.

Q. You did not hold it very long. You have already stated that you and George W. Robertson came up to Ottawa?—A. Yes.

Q. And that you saw the Minister of Public Works here, and you subsequently stated that when you saw the Minister of Public Works with George W. Robertson you did not discuss or allude in any way to the matter of the Richibucto wharf?—A. No, sir, I did not.

Q. That is right, is it?—A. That is correct.

Q. Will you tell me what you and Robertson came to Ottawa to see the Minister about? A. I cannot remember now what we interviewed the Minister on, I cannot just remember what it was unless I think it might perhaps have been something in connection with the harbour.

*By Hon. Mr. Pugsley:*

Q. You do not say that you came here to see me?—A. No.

Mr. CROCKET.—He certainly did say that.

Hon. Mr. PUGSLEY.—No, he did not.

*By Mr. Crockett:*

Q. Well, I will ask him that now. Did you not come to Ottawa with Mr. Robertson to see the minister?—A. I stated I had an interview with the minister while in Ottawa.

Q. And did you not come to Ottawa for that purpose?—A. I do not know whether I did or not; I might have had other business here besides that.

Q. What do you say?—A. We might have other business here without that.

Q. You say you might have had?—A. Yes.

Q. Did you have?—A. I cannot remember.

Q. You cannot state any other business?—A. Not unless our interview was in connection with the harbour.

Q. Did you discuss that Jardine contract with Mr. Pugsley at that time in order to get an extra appropriation through the supplementaries —A. I could not say positively whether I did or did not.

Q. You cannot remember that?—A. No, I cannot. I do not know just exactly whether it was that year or not.

Q. As I understand it, then, Mr. Murray you came here to Ottawa with George W. Robertson?—A. Yes, sir.

Q. And you saw the minister?—A. I did, yes.

Q. You say you may have come on some other business, but you cannot tell us any other business that you had? You saw the minister and you cannot say, or cannot tell me one single thing that you discussed with him?—A. Well, I say it may have been—I cannot remember exactly; very likely it was in connection with the harbour.

Q. Do you remember that it was in connection with the harbour?—A. I don't say positively, no.

Mr. CROCKET.—Then your statement with reference to the wharf is of no more value than your statement with reference to the harbour?



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The CHAIRMAN.—You have no right to say that. The witness says that he thinks he had no conference with the minister on this particular subject.

The WITNESS.—None whatever.

*By Mr. Crocket:*

Q. You built the sewer during that period, did you not?—A. Yes.

Q. And how much did you get for building it?

Hon. Mr. PUGSLEY.—Had you not better reserve that for another inquiry? I think, Mr. Chairman, the examination ought not to be allowed beyond the limits of the present inquiry.

Mr. CHAIRMAN.—I think so too.

Mr. CROCKET.—I do not want to introduce these other matters, I was trying to refresh Mr. Murray's memory.

The CHAIRMAN.—I have been allowing a considerable amount of latitude.

Hon. Mr. PUGSLEY.—But that latitude should not be abused.

The CHAIRMAN.—I have been allowing considerable latitude but I would like members not to go too far.

Mr. CROCKET.—The witness states that he does not recollect and I am simply trying to get out of him some statement as to what took place when he called on the minister. The witness says now that he cannot say.

The WITNESS.—I cannot say positively but I say to the best of my knowledge it was in connection with the harbour.

Hon. Mr. PUGSLEY.—The harbour and the breakwater?

The WITNESS.—Yes.

*By Mr. Crocket:*

Q. And the breakwater?—A. It is the same work, there is only the one work down there.

Q. I want a statement one way or the other, whether you did or did not discuss that question with the minister at that time?—A. What, in regard to the breakwater?

Q. The harbour and the breakwater.—A. Well, it is all the one thing.

Q. Well answer the question, did you or did you not?—A. I said before that I could not say positively. I cannot say positively.

Q. You cannot say positively?—A. No.

Q. You cannot say positively what you discussed with the minister; that is about the size of it?—A. I cannot say positively whether I discussed that with him or not.

Q. You saw the minister in St. John, did you not, in September, 1908?—A. Yes, I did, in the fall.

Q. You went to St. John for the purpose of seeing him did you not?—A. I don't know whether I did or not. I went in company with George W. Robertson, he was with me when we went into the building.

Q. George W. Robertson was with you, and you had an interview with the minister in St. John, 1908.

Hon. Mr. PUGSLEY.—He said in the fall; you said September.

*By Mr. Crocket:*

Q. Well in the fall of 1908, that is correct is it not, Mr. Murray?—A. If I remember rightly, I think we met the minister coming out of his office door going to the train.

Q. When was that?—A. In the fall of 1908.

Q. And you and Robertson went down to St. John to see the minister?

Hon. Mr. PUGSLEY.—He did not say that, you are making those assertions.

Mr. CROCKET.—Well I am asking him——

Hon. Mr. PUGSLEY.—It is a curious way of asking questions, making assertions.

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*By Mr. Crocket:*

Q. Is that a fact or is it not, Mr. Murray?—A. I don't say positively that I went direct for that purpose. I might have had other things in St. John beside that.

Q. Can you name any of the other things?—A. No, not now I cannot.

Q. And you saw the minister?—A. When he was coming out of his office door, yes, on his way to the train.

Q. And you discussed election matters in Kent county?—A. We did not discuss anything.

Q. You did not discuss anything?—A. For the simple reason that we did not have the time.

Q. Well, tell us what took place?—A. He simply said he had not time to see us, he had to catch that train.

Q. Did you tell him what you wanted to see him about?—A. No, he just simply told us he could not see us.

Q. That he could not see you?—A. He walked out and we left him.

Q. You discussed nothing with him at all?—A. No. I had no interview at all.

Q. Of any kind? Was that the only occasion on which you saw the minister during the election campaign at St. John?—A. To my knowledge it is. I don't recollect being down at any other time.

Q. At any other time?—A. No.

Q. I want you to fix the date when you saw the minister as nearly as you can.—

A. I could not do it, Mr. Crocket, I have no idea what date it was.

Q. Only on one occasion when you and Robertson went to see the minister?—

A. No, I do not.

Q. You do not remember?—A. No.

Q. Do you say that you did not?—A. I say I do not remember.

Q. Was there only one occasion that you and Robertson went to see him?—A. Only one to my recollection.

Q. Only the one occasion when you and Robertson went to see the minister?—A. Yes, sir.

Q. You have told me that you went to St. John and saw the minister coming out of his office door; that he told you he could not see you and that you returned to Richibucto without having had any conversation with him?—A. That is correct, yes.

Q. That is true, is it?—A. Yes.

Hon. Mr. PUGSLEY.—He gave the reason: he said, 'I was on my way to the train.'

The WITNESS.—Yes he was just coming out of his office door as we went in.

*By Mr. Reid (Grenville):*

Q. Did you have any conversation or try to dispose of this wharf to the minister or any official prior to the 7th of May?—A. No, sir, I did not.

Q. When in Ottawa did you have any conversation with the minister or any official in trying to sell this wharf to the government?—A. No, I did not.

Q. You were here in Ottawa on the 7th of May and you returned home and purchased this wharf for \$700, and sold it to the government on the 9th of May for \$5,000.

*By Hon. Mr. Pugsley:*

Q. Did you say that you sold this wharf to the government on the 19th of May for \$5,000?—A. Sold it whené

Q. On the 19th of May.—A. I did not give the date. I said I did not interview any government official, nor did I sell it while in Ottawa.

Mr. CARVELL.—It is only the question of the date.

The WITNESS.—Yes.

*By Hon. Mr. Pugsley:*

Q. You made an offer to the department on the 4th of June?—A. Yes, sir.

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Q. And it was not until some four months after was it?—A. Four or five months after that I got the money.

Q. That the government decided to buy it, is that not so?—A. Before I got my cheque for it.

*By Mr. Reid (Grenville):*

Q. Before you got your cheque?—A. Yes.

Q. On the fourth of June you made an offer of \$5,000 to the government and it was understood that they were to take it?—A. No, it was not understood at all.

Q. When was it understood they were to take it?—A. It was some time after. If I had not made the offer when I did I would not have sold it to them at all.

*By Hon. Mr. Pugsley:*

Q. Why would you not have sold it?—A. Because I was advised by Mr. Loggie twice not to sell the property. More than that I was asked to withdraw my offer and I would have made more money anyway.

Q. And do you swear positively, Mr. Murray, that in your judgment that that property was worth more than \$5,000?—A. Do I? Certainly.

Q. You consider it worth at least \$5,000, perhaps more?—A. Certainly I do.

Q. And A. & R. Loggie asked you twice to withdraw your offer to the government?—A. Certainly he did.

Q. Do you happen to know that recently the Messrs. Loggie had made an offer to buy the property and pay \$3,500 in cash for it?—A. Well, he did not make that statement to me, but I was told by our book-keeper that he had made that statement.

*By Mr. Carvell:*

Q. Do you know that there is a certified cheque of A. & R. Loggie for \$5,500 in favour of the government for that wharf?—A. I was told by our book-keeper so, but he did not tell me so.

Hon. Mr. PUGSLEY.—Which I declined to accept because there is at least 150 feet that we want and we can sell the remainder for practically all that we have given for it.

*By Mr. Crockett:*

Q. How long were you in Ottawa with Mr. Robertson?—A. I may have been here a couple of days.

Q. Are you able to state now the date when you and he were in Ottawa?—A. No, not just exactly. I have no memorandum. We were all there about the one time.

Q. Was it not in the month of May?—A. I think it was, yes.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, January 21, 1910.

The Select standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton presiding.

The committee resumed the consideration of a payment of \$5,000 to Mr. Thomas O. Murray in connection with the purchase of the sawdust wharf, Richibucto



Mr. GEOFFREY STEAD recalled.

*By Mr. Crocket:*

Q. This plan you produced yesterday, or the day before was made by you during the Christmas holidays, was it not?—A. Yes.

Q. There was another plan that was produced before the holidays I think and I would like to have it produced.

Witness retired.

Mr. RICHARD O'LEARY, recalled and sworn.

*By Mr. Crocket:*

Q. Mr. O'Leary, you heard the minister examining your brother William yesterday in reference to this sawdust wharf property?—A. Yes.

Q. And pointing out that the deed of conveyance from him and his brothers to you conveyed only their right title and interest in that property?—A. Yes.

Q. Did that carry the title of the whole property which was sold to the government?—A. Yes.

Q. Your brother referred to the fact that your father had bought this at public auction?—A. Yes.

Q. Do you know whether it was sold under a mortgage or not?—A. It was sold under a mortgage, I understand.

Q. There was no encumbrance of any kind on it?—A. No encumbrance of any kind on the property when I bought it from my brothers or when I sold it.

Q. And what you got in that deed to which reference was made yesterday was what you sold to Thomas O. Murray and what he sold to the government?—A. I presume it was what he sold to the government, it was what I sold to him.

Q. You heard Mr. Stead making the calculations about ten acres being in that property?—A. I did.

Q. Just look at the deed, this (handing document to witness) is the deed from Mr. Murray to the government, to the King, how many acres does the deed describe there?—A. (Reads) "The whole containing 7.88 acres more or less."

Q. And the reservations that the minister pointed out in the deeds from your brothers to you are referred to in that description, just look at the deed?—A. (Reads): 'All and singular that certain lot, piece and parcel of land and premises, known as the old sawdust wharf and mill property, situate, lying and being on the east side of the Front or Water street in the town of Richibucto, in the county of Kent, and province of New Brunswick, bounded and described as follows, namely, commencing at a stake at the rear or east line of lands and premises of George Wilson, now occupied by Robert Becket, and running south westerly along the rear of lands and premises of Arthur E. O'Leary, parallel with the said Water street, a distance of two hundred and ninety-two feet to another stake or until it strikes the south west or upper line of a lot of land conveyed by Richard O'Leary and wife to Fidelle Savoie; thence running along said last mentioned line to said Water street; thence running south westerly along said Water street a distance of four hundred and forty-four feet to County lands; and thence running easterly a distance of five hundred and eighty-five feet, and thence running north easterly along the channel front a distance of seven hundred and thirty-six feet; and thence running north westerly a distance of four hundred and thirty-five feet, to the lace of beginning, together with all wharfs, piers, abutments, water privileges thereto belonging or appertaining: subject however to the conditions and reservations contained in a deed given by the said Richard O'Leary and wife to the Dominion government of a sewer now erected on said lands, and the rights of the Dominion government therein and thereto;'

Q. Did you hear the contention made here that the deed took off 30 feet of your wharf?

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Hon. Mr. PUGSLEY.—20 feet was what Mr. Stead said.—A. 30 feet was what I heard.

Q. Does it do that?—A. Certainly not, I never sold my own wharf to Tom Murray, I sold the sawdust wharf.

Q. There was no suggestion of that kind?—A. There was no suggestion of the kind, and the line laid down by Mr. Stead at the time of the purchase does not come near my wharf at all, he leaves me a considerable part of the shore near the sawdust wharf, which, by the way, is the place where I took the gravel off. I would like to say that when I went home I made an examination and I called my foreman and asked him where he got the gravel from and he said—

Hon. Mr. PUGSLEY objected to the statements made by his foreman being given as evidence by Mr. O'Leary.

The CHAIRMAN.—Never mind what you said to the foreman or the foreman said to you, tell us what you did?—A. It has been spread all over the country, and I have been impeached here for having stolen gravel off the government wharf, and I think I have a perfect right to say here that I did not do so. I do not want to go before the country as a thief.

Hon. Mr. PUGSLEY.—It is quite right if Mr. O'Leary knows where he took the gravel from, or knows where his foreman took it from that he should say so.—A. I do know, and I want to say it.

The CHAIRMAN.—If Mr. O'Leary himself says he knows where he took it from let him state it.—A. Pardon me, the reason I went to the foreman was that when I went home the snow was on the ground and I wanted to make sure from the foreman whether he had carried out my instructions to take no gravel beyond the line laid down by Mr. Stead, and he said that he had not done so and he showed me where he took the gravel from, and he showed me where the line was, which line Mr. Stead has changed during the intermission so as to take in that very part, that very place where I took the gravel from, and also taking in a part of my wharf.

The CHAIRMAN.—This was not on the line?—A. It was not on the line, it was beyond their line, and at a place where I had previously stopped the commissioner's man from taking the gravel, telling him that I wanted that to put on my own wharf.

*By Mr. Reid (Grenville):*

Q. Who are the commissioners?—A. The commissioner is Mr. Malcolm McKinnon and Mr. Pascal Hebert, and Thos. O. Murray are the town councillors.

Q. Did Mr. Murray take any gravel?—A. I did not see Mr. Murray take any gravel.

Q. Did the council take it?—A. It went on the streets of the town.

Q. And Mr. Murray was a councillor?—A. One of the parish councillors, but I cannot say that Mr. Murray did it. I neither took any gravel myself nor instructed any person to take any gravel off my own property, and my information from my foreman is that what gravel has been taken, has been taken from my property and not from the government property. I wish to go further and to state that the last time I was here when the assertion was made, I had no knowledge of the facts, and I preferred to admit that my men might have taken it without my knowledge, and I stated there that if they had done so I would willingly make restitution.

Q. Did you not state on your previous examination that if you had taken the gravel you were willing to pay for it?—A. I did, and if I have taken any gravel from the government property I am still willing to pay for it.

Q. Have you any idea how much was taken?—A. Forty or fifty loads, that is what my man tells me is what was transferred.

Q. What would that be worth, 5 or 10 cents a load?—A. I do not need to take it off any other property, I have plenty of my own a couple of hundred yards away in a pit.

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Q. At the outside the value would not be worth more than \$3 or \$5.—A. Say \$10, lets us put it high enough.

*By Mr. Crocket:*

Q. The letter produced is written by you to Mr. D. H. Waterbury?—A. Yes.

Q. Previous to writing that letter had you and Mr. Waterbury any conversation?—A. We had a conversation near the post office building in Richibucto, in which in answer to a question as to what I would take for the property, I said I would take \$1,000. I had entirely forgotten about this letter, but when I heard it read here the day before yesterday, it came back to my recollection that Mr. Waterbury afterwards came to my office with measurements of what he proposed the government might want and asked me to reduce it to a written offer. This is the document. First of all a strip having a width of 227 feet and running back to the channel, 625 feet—if I may say here I have never measured any of that property myself at any time previous to the sale.

Q. And that letter followed the conversation?—A. This letter followed the conversation with Mr. Waterbury.

Q. And the conversation took place on the same day?—A. On the same day.

Q. And you say that Mr. Waterbury brought the measurements?—A. Yes.

Q. And then you made the offer?—A. And then Mr. Waterbury suggested regarding the sewer which the government was then cutting through the old mill foundation for, just where the timber was, the foundation of the mill is near the shore, and they cut right through the timber in that old mill foundation, and Mr. Waterbury wanted to know what I wanted for the strip where the sewer was; and I put an amount of \$250 on it. Mr. Waterbury recommended that I be paid \$100, or at least I was paid \$100, and from what Mr. Waterbury told me that was his recommendation for the piece for which I asked \$250.

Q. And you accepted and received——?—A. \$100 for the lot described in this offer. I think the description in the deed is 50 by 100. I have not seen it since I signed it, Thomas Friel, of Dorchester, brought it up to me to sign and I really don't know what it was, because I was not particular.

*By Mr. Reid (Grenville):*

Q. You got \$100 for the lot you offered to sell for \$250?—A. Yes.

*By Mr. Crocket:*

Q. Does not the letter refer to a fifty foot strip?—A. Yes.

Q. And that was the strip the government bought for the purpose of laying a sewer through the property?—A. I would not say that is the exact dimension, I think the strip is over 100 feet.

*By Hon. Mr. Pugsley:*

Q. Did Mr. O'Leary say that he gave us a strip 50 feet through from the street?—A. I do not say anything of the kind, this was the sewer right, because I took particular attention to say to Mr. Waterbury in the letter, 'or I will sell a piece 50 feet by 100 feet opposite the public building where the sewer now is for \$250,' those are the words of the letter.

*By Mr. Crocket:*

Q. And you sold it for \$100.—A. I sold it for \$100.

Q. To the government?—A. To the government.

Q. 50 feet by 100 would not carry it down to the water?—A. I think the distance is a little longer than 100 feet, but I would not be certain.

Q. Did the property described in the letter comprise practically all the land in this sawdust wharf property?—A. The only land in connection with the sawdust wharf is on the river bank and the street goes to the river bank, the rest outside of



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the mill foundation where the timbers are and the remains of the fallen down chimneys, is sawdust and slabs.

Q. I was referring to land as distinguishing it from water?—A. No, that would not take in all the land that there was, this 227 feet would not take in all the land there was there.

Q. But how much would it take in?—A. My idea in conveying the offer to Mr. Waterbury was that at the time I have no doubt that was filled in there, the whole 227 feet of water front, I see by this plan that it is now part water, on the lot I offered to Mr. Waterbury, and that it was my intention to offer him a frontage opposite the public building in this letter is evident, in fact I felt I was selling the whole wharf property because I could not divide it and sell one-half of it because the other half would not have been of any use.

Q. If that sale had been completed according to that offer you would have sold the greater part of it and it would have left a small strip, according to the plan that was put in, on each side?—A. It would be water on one side, and I would have received if they had paid me at the same rate for the whole property as they did for the sewer lot, for which they paid me \$100 when I offered to sell it to them at \$250, \$400 for what I asked \$1,000 in that letter.

Q. And apart from that entirely you sold it to Thomas O. Murray for \$700.—A. Yes, for \$700, I could not get the \$1,000 for this property and I was glad to take the \$700 for the whole of it.

Q. And you say that was the full value and all you asked?—A. It was the full value and all I asked—well I asked \$700 or \$800, and I took the \$700.

Q. Did you hear a letter read here from the firm of A. & R. Loggie?—A. I did.

Q. In which they stated that they would not have sold the property for \$5,000?—A. I did, yes.

Q. Do you know of some purchases of property in Richibucto that A. & R. Loggie have made?—A. I do.

Q. Do you know of that firm having bought property with water frontage at Richibucto?—A. A lot of it.

Q. Give us an instance or two of what they have paid for water frontage?—A. Immediately between my store and warehouse on the water front they bought the Frecker property with a store and dwelling house, the dwelling house in the rear and upstairs on the water front, with a width of about 60 feet for \$275; immediately on the other side of my warehouse the second building from there they bought at public auction, a building now in use by them as a store with a wharf and warehouse on it, at the back of it, for \$400.

*By Mr. Reid (Grenville):*

Q. There is a building on it, do you say?—A. A building which is now occupied by them as a store, a building that with the little repairs they put on it, as Mr. Carter said, would be a credit to a town of 5,000 people.

Q. How long ago was that?—A. 12 or 15 years ago—perhaps a little longer than that. I might say that the Frecker property was bought within the last eight years. They then bought a lot adjoining their other property with about 100 feet frontage, or more, for \$150. The next lot they bought was a premises on the water front with a house and barn, the house having just been vacated by a hotel-keeper, for \$175. The next property adjoining that was bought by A. & R. Loggie, with a double dwelling house and store and a barn and wharf, and 32 acres of good land within a half a mile of the town for \$600, under a mortgage sale at public auction, I had a few days before being the mortgagee transferred my mortgage to Judge Wilkinson, who sold it by public auction. This is the firm of A. & R. Loggie who wrote that letter. Immediately above that they bought a lot with a house on it from the late George W. McInerney, the building was used as Mr. McInerney's law office with a frontage on

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the water of upwards of 100 feet and paid \$275 for it. I bought the next lot, immediately above that on Water street, a lot of about 50 feet with another house and barn for \$275; I sold to another party the second lot above that with a small dwelling house upon it and 100 feet frontage on the water for \$400. These are some of the properties which Messrs. Loggie have bought and I can mention others if you wish me to do so.

*By Mr. Reid (Grenville):*

Q. I would like to ask you right there, this all happened within the last ten or twelve years?—A. Within the last very few years.

Q. Say within 8 or 10 years. How does the population compare now with what it was 8 or 10 years ago?—A. The population within 8 or 10 years has not varied 50 people in the town.

*By Mr. Crocket:*

Q. And you say it is not more than 700.—A. And that it is not more than 700.

Q. Do you know, Mr. O'Leary, of a sale having been made of the field on which the station of the Kent Northern Railway is situated?—A. Yes, I saw the deed a few days ago.

Q. How many acres are there in the field?—A. The field in the deed is supposed to contain 100 acres, the station being in the end nearest to the town, and it was sold to O. K. Black by Solomon Powell for \$120, and that field is a block one way and a half a block the other way from the sawdust and municipal wharf. I would like to mention a few water fronts that I bought. I bought where my mill property is, 12 acres of land, a deep water terminus out from the mill which I connected to the other with a slab wharf, three double tenement houses the foundations for a mill, and a steam pump, where the other mill had been burned, for \$1,075. I bought the George McLeod property with 700 or 800 feet on the Water Front, with a warehouse, a store and a crib wharf back of it, for \$250, that is immediately adjoining my property and in the centre of the business part of the town.

Q. Are there any other cases that you wish to mention?—A. Yes, the second door from my own, the Chandler residence, the Chandlers were an old New Brunswick family, and their residence was formerly one of the finest residence properties in Richibucto, was bought by A. & R. Loggie for \$1,050.

Q. When?—A. Within the last ten years.

Q. Did you give the date of the Frecker purchase?—A. Within the last 6 or 7 years.

Q. And that is the property for which \$175 was paid?—A. \$275.

Q. \$275 was paid for it?—A. Yes, and I bought recently at Buctouche a water front from the Hon. O. J. LeBlanc and wife, that is the member for Kent, a 100 feet water front lot with the railway running right through it for \$50.

Q. What frontage did it have?—A. About 100 feet front, with a guarantee deed, for \$50.

*By Hon. Mr. Pugsley:*

Q. That will be in the town of Buctouche?—A. In the town of Buctouche, just at the highway bridge, where the bridge crosses the river in the centre of the town, and the railway goes through it.

Q. I think Mr. LeBlanc will have to explain that.—A. That is correct, is it not, Mr. LeBlanc?

Mr. LeBLANC.—It was my wife's property, but not mine; I am not aware that it was 100 feet frontage.—A. I bought it from Mrs. LeBlanc and you signed the deed.

*By Mr. Crocket:*

Q. You say that the station house of the Kent Northern Railway is not more than one block, one way, from this wharf?—A. It is a block one way and half a block the other way from the municipal and sawdust wharfs.

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Q. Did you hear Mr. Stead speak yesterday of the station being in the country?—  
A. Well, I did, but it is only a country town anyway. I suppose he is absolutely correct in that.

Q. 'Out in the country' is the expression he used?—A. Yes, 'Out in the country,' but he didn't mean it.

Q. You can stand on the station platform and see the wharf, can you not?—  
A. You can see right down the river.

Hon. Mr. PUGSLEY.—That is what he says, when the weather is clear.

Mr. CROCKET.—You can see it whether it is clear or not.

*By Mr. Crocket:*

Q. Some evidence was given, Mr. O'Leary, in reference to a dredge having lain at this wharf some years ago, and reference was made to a statement made by you when you were last giving testimony that there had been no vessels lying at that wharf since you were a small boy?—A. Yes.

Q. The only instance I think that has been given was that the dredge St. Lawrence had lain there.

Hon. Mr. PUGSLEY.—Mr. Carter swore that he had seen others.

—A. Mr. Pugsley asked if I had not stated that there had not been any vessel lying there in 40 years; that is not correct. I was a pretty small boy 40 years ago, I am 44 now, and my statement was that since I had been a small boy there had been no vessels lying at that wharf. By vessels, in the terms used up there in shipping lumber, we mean sea-going vessels, which are ships, barques, brigantines and vessels of that description. The dredge St. Lawrence laid off from the wharf say 16 or 17 years ago, they could not bring in their coal there, it was brought into some other wharf and she went in there for it. I may say that the property at that time was owned by us and the dredge laid there because it was our wharf. There was also some years ago a small portable mill put there by James Brown, and the lumber sawn there was loaded up in small schooners to be taken coastwise, but in the case of deals to be taken over-sea it was taken out to deep water vessels by schooners used for the coasting trade. There haven't been any ships loaded or unloaded at that wharf since I was a small boy, and when I was a small boy there were very many.

Q. I think you stated that in your evidence before, of course.—A. Yes, I think I did.

Q. That Richibucto was quite a large shipping point?—A. It was a very large shipping point, I think I have heard my father say that he had seen 100 vessels there loading timber at one time.

*By Hon. Mr. Pugsley:*

Q. At this very wharf?—A. They could not be all there at the one time, of course, but in the stream at Richibucto.

*By Mr. Crocket:*

Q. There is no question but that when the wharf was used it was largely used?—

A. There was then the Wark wharf and my own wharf, known as the DesBresay wharf, and other wharfs all used for vessels to put their ballast, so that they could load lumber.

Q. Mr. Stead yesterday spoke about timbers and cribwork in the centre of this property, what have you to say about that?—A. Where the mill foundation was, right where the mill was built, there were very heavy pine timbers put in.

Q. To form the foundation for the mill?—A. For the foundation for the mill and a good many of them were there until lately; even in the recent storm this fall there were a number of them washed away. It is just at the street above where the slab and sawdust portion is built.

Q. But what is the body of the wharf composed of?—A. Slabs, edgings and sawdust, just mill refuse practically.



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Q. I think that is all.—A. I would like, Mr. Chairman, to make an explanation. I have brought my letter book with me, when I was here there was a difference in the letter read here as having been written by me to Dr. Pugsley and the copy which I produced from my letter book. Not that I imagine it makes any difference, but the *St. John Telegraph*, had a very interesting telegraph despatch on it, headed ‘O’Leary reads a typewritten document entirely different to the letter he sent to the Minister.’ When I went home I hunted up my letter-book and I found that my letter-book had copied in it the very letter I read here, and the letter which I actually sent Dr. Pugsley is not in the letter-book. The stenographer I had at the time is no longer with me, and the only explanation I can give is that when I dictated the letter the girl brought one letter to me which did not suit me and that I dictated another and she copied the wrong letter in the copy book, sending one to Dr. Pugsley and copying the other in the letter-book. What I read to the committee here is a copy of the one in the letter-book.

*By Hon. Mr. Pugsley:*

Q. And it was not a copy of the one you sent me?—A. It is not a copy of the one I sent you.

Q. You did not apparently send me the one which is copied in your letter-book?—A. The girl did not copy the one I sent you. I assumed that the letter Mr. Pugsley had in his hand was the same letter which I was reading and which I had taken from my letter book.

*By Mr. Carvell:*

Q. Do you sign your letters before they are copied or afterwards?—A. I sometimes sign in lead pencil, sometimes after and sometimes before.

Q. You have no regular custom?—A. I have no regular custom, I sign them just whenever I can get time—I sign them, I mean to say before or after they are copied.

*By Mr. Sinclair:*

Q. Did you sign this letter that appears in your copy book, is it signed?—A. There is no signature to the one in the copy book; but the letter which went to Dr. Pugsley is signed in blue lead pencil which would not copy, but whether it was signed before it went into the book I do not know.

Q. But there is no signature?—A. I know this, that the letters immediately following it in the letter book are not signed at all.

*By Mr. Carvell:*

Q. Do you remember having a plan drawn?—A. A plan made by the engineer or in the office, a pencil plan made by Mr. Ogle.

Q. Will you look at this plan (producing plan), in whose handwriting are the figures?—A. In the handwriting of Mr. Ogle, my late book-keeper.

Q. Was that made in your presence or at your instructions?—A. I do not think it was made in my presence, it was made in my office.

Q. You gave that plan to Mr. Murray?—A. I do not know but Mr. Ogle would give it to probably Mr. Murray or Mr. James or somebody. The plan was made in my office and the writing is the book-keeper’s.

Q. And the deed was drawn from that plan, was it not?—A. I do not know.

Q. Now, let us compare it, (reads), ‘Commencing at a stake at the rear or east line of lands and premises of George Wilson.’—A. There is no question about the deed being drawn from it, because I remember the figures 435 feet and 736 feet.

Q. I may tell you I have compared this, and the figures here exactly correspond with the figures in the deed excepting at the very starting point?—A. I told you they would not agree here (indicating on plan) because the line went right through here.

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Q. I will make that plain. The first distance in the deed says 'a distance of 292 feet,' whereas the plan would show 242 feet.—A. 242.

Q. And then the second distance along the line to Water st., is in the deed 444 feet, and on the plan it is 494 feet?—A. Well now, you will see how that will be Mr. Carvell, the figures count from here down to here (indicating on plan).

Q. Let us see, the figures count from the southwest corner up above the Savoie property?—A. Evidently here the measurement takes in the Savoie property.

Q. And they should not have taken it in?—A. They should not.

Q. And with that exception the plan is the same as the deed?—A. I think so.

Q. We will follow that out now. On the southern side it says 585 feet, that is along the municipal wharf, is that right?—A. That is what it is on the plan.

Q. That is what the deed says? Then the next is, 'Thence running north-easterly along the channel front a distance of 736 feet'?—A. He has taken in the jog in the public wharf in that distance.

Q. Anyway it is 736 feet?—A. It is 736 feet on the plan.

Q. 'And thence running northwesterly, a distance of 435 feet'?—A. That is right.

Q. So that there is no question about the description being correct, with the exception named?—A. Except that in this plan instead of measuring from the lower side, he takes in the whole front of the public wharf in this memorandum, that is plain.

*By Mr. Carvell:*

Q. And the deed says so too.—A. I could not deed what I did not have.

Q. I am not saying so, but I ask you whether it does not correspond with the plan?—A. Yes.

Q. I understand from the figures you have quoted, that property is of very little value in Richibucto?—A. I am very sorry to say it is.

Q. It seems from all this long list of properties you have given us as having been sold at the prices you named, that it is, I would say, of very very low value?—A. Yes.

Q. Do any of these properties which you have mentioned here this morning have deep water fronts?—A. They are all the same grant, the whole front of Richibucto is on the same grant, if one contains a deep water front all the rest do.

Q. You have not given me a fair answer, although I do not mean to say that you are trying to avoid doing so; as a matter of fact take the wharf that A. & R. Loggie bought, I understand there is one place they bought that has a wharf on it?—A. Yes.

Q. Do they have a depth of water of say 14 or 15 feet at that wharf?—A. They can carry their wharf out if they wish to get 14 or 15 feet.

Q. Answer the question, how much water have they got there?—A. They only have 7 or 8 feet.

Q. And how far would they have to carry it out to get deep water?—A. A couple of hundred feet.

Q. And do you say they have title far enough into the stream to get deep water?—A. I presume they have.

Q. But you do not know?—A. I do not.

Q. Take a number of other properties that you have referred to this morning, a number of them have been referred to as water fronts, do you mean to say that in all those cases they have the privilege, if they want to exercise it, of going out to deep water?—A. I cannot say whether they have that privilege, but what I do know is that the titles are the same along there, all I do know is that there are wharfs built out to deep water.

Q. As I understand it, 'deep water' would be the river channel in the harbour.

Mr. CROCKET.—And the wharfs all, with the exception of Messrs. Loggies', I understand go right out to the channel.

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*By Mr. Carvell:*

Q. The witness does not say that, I am asking him that question now.—A. For instance, my mill wharf runs right out to the channel.

Q. Is that what you call the DesBresay wharf?—A. That is the wharf that adjoins the municipal wharf, my mill wharf is known as the Kyle wharf.

Q. How much water have you there?—A. 17 or 18 feet.

Q. Is that up the river or down from this wharf?—A. It is down the river from the sawdust wharf about 200 yards.

Q. How far is your mill wharf from the sawdust wharf?—A. A few hundred yards.

Q. How many would you say?—A. It might possibly be a quarter of a mile—no, it would not be one-fourth of a mile, it is between one-eighth and a quarter of a mile, I would judge.

Q. From the sawdust wharf?—A. Yes.

Q. Do you have any railway connection with the mill wharf?—A. No.

Q. You have none whatever?—A. No.

Q. In fact as I understand it the only wharf in Richibucto that has railway connection is the municipal wharf?—A. Yes.

Q. And the sawdust wharf lies next to that?—A. Yes.

Q. And the DesBresay wharf?—A. Next to that.

Q. And the DesBresay wharf is also owned by you?—A. It is also owned by me.

Q. And I think you said that came from your father?—A. It came directly from my brother in the same way as the other property; you may take a few words of explanation, perhaps in reference to that. The DesBresay wharf was part of the business which my father and I had together, and to the business was to be contributed the deeds of all the property used in it. At my father's and mother's death the DesBresay wharf was in my mother's name the same as the sawdust wharf was, and my brothers gave me without consideration, or for the nominal consideration of one dollar, a deed of the DesBresay wharf and other properties which belonged to the business in which my father and I were associated.

Q. You cannot tell what it cost you? What did it cost your father when he got it?—A. \$1,500.

Q. How long ago is that?—A. About 25 years ago, I would think.

Q. That DesBresay wharf was the one you referred to as your wharf?—A. The one I referred to as my wharf.

Q. In answer to the Minister of Public Works, as reported on page 36 of your evidence?—A. Yes.

Q. You have read over your evidence given here on a previous occasion, have you?—A. No, I have not.

Q. I would just like you to read that portion of your evidence which appears on page 36, so that there will be no question about it, because I want to ask you a question in reference to it. (Copy of evidence handed to witness). There is a question here asked by Dr. Pugsley:

'What do you value it at now'? and the answer is,

'With the improvements we have added during the year we would sell it at \$2,000.'

that is the DesBresay wharf, as I understand it?—A. Yes.

Q. That property would be bounded on the south by the sawdust wharf?—A. Yes.

Q. And on the east by the water front?—A. Yes.

Q. On the west by Water Street?—A. Yes.

Q. And on the north by what?—A. By the river simply as there is no immediate property alongside that wharf, just the river. On the east by the channel, on the south by the sawdust wharf, the north simply by the river, and on the west by Water St.



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Q. Now, that is the property which you are willing to sell for \$2,000?—A. I do not say I am willing to sell that for \$2,000 now. I said so then and I was, but I heard Mr. Pugsley say yesterday that he would not sell the sawdust wharf for \$5,000, so that now I will put up my price. If the other properties are going up in value then I want mine to go up accordingly.

*By Hon. Mr. Pugsley:*

Q. We have inspired you with hope, have we?—A. You have, Mr. Pugsley, I would not sell that property now, I would have done so the other day, but I would not sell it now for \$2,000.

*By Mr. Carvell:*

Q. How many feet would you say there are on that wharf, up and down the river?—A. There must be 200 feet I would say.

Q. Now, Mr. O'Leary, I want to buy that wharf from you, and I will give you \$2,000, will you sell it?—A. I have told you just now that since I heard Mr. Pugsley say he would not sell the sawdust wharf for \$5,000—

Q. Will you sell it to me to-day?—A. I will not, I would have sold it to you the other day—

Q. Well, I want to buy it now?—A. Mr. Carvell, if you want to buy my property I will sell it to you five minutes after the meeting is over if you will give me the price, but not now.

Q. Will you sell it for \$2,200?—A. If you want to buy my property come to me after the meeting.

Q. I tell you what I will do, Mr. O'Leary, I will give you \$2,500 for the property and I will give you my cheque for \$500 on account. I have my cheque here and I want you to sign an agreement to sell it at that price.

Mr. CROCKET.—I really think this should not be tolerated in this committee, the committee should not make itself a means of negotiation for bargain between individuals in the sale of property.

Hon. Mr. PUGSLEY.—I think the committee should bear in mind that Mr. O'Leary, in order to disparage the value of the property which the government has bought, said that he would gladly sell this property for \$2,000.

*By Mr. Carvell:*

Q. I have an option here in which I want you to give me the right to buy this property at the figure I have named, and I will pay you the money for it on the day you give me the deed, at any time within ten days, and I will give you \$500 down, and will sign an agreement to take it at that price.—A. I will meet you outside this room and I will sell you the property if you want to buy it, but I will not do it here.

Q. You refuse to do it?—A. Mr. Carvell, I will say that we are used to cheques coming to New Brunswick and hearing about it after the cat gets out of the bag, and I refer to 1908.

Mr. CROCKET.—Show me the cheque, is it certified?

Mr. CARVELL (Handing cheque to Mr. Crocket).—It is my own cheque and it is not certified, but I can get it certified in 25 minutes, if necessary.

*By Hon. Mr. Pugsley:*

Q. Now, do you think, Mr. O'Leary, that you were quite fair to Mr. Stead when you said that he has changed the line since he was here before in order to make it run down to your wharf?—A. Mr. Stead has changed the line and I fancy it was done for a purpose.

Q. Did you not hear Mr. Stead say that his idea was that the land which the government was buying had only 570 feet?—A. I do not know the distance.

Q. Whereas the deed says 736 feet. Did Mr. Stead not say that if you take the distance as stated in the deed of 736 feet it would carry the line some 20 or 30 feet on your wharf?—A. That is what he said.

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Q. But he said his idea was that it should have been 570 feet and that would have made 7.88 acres, but that the 736 feet would make nearly 10 acres, did you hear him say that?—A. I did not hear him say that, but I did not pay particular attention to what was said.

Q. He said he thought it should only be 570 feet.—A. I may say that this new line which he ran runs right through my property which I did not sell to the government.

Q. But unfortunately the deed fixes that?—A. That may be, but I will be prepared to defend my property in the proper place when the time comes.

Q. Mr. Crocket asked you about the title to your property, but that is the wharf you own and occupy, but I will ask you now your title to that property is not exactly the same as your title to what is known as the sawdust wharf, is it? What I mean is, does it come through the same parties?—A. Yes.

Q. And therefore Mr. Carter in searching the records would have before him the same title so far as the sawdust wharf is concerned and so far as your own wharf is concerned?—A. I do not know about that, but I will say this, that if there is any question about the title of my property it is up to the government to come and take my property if they claim it, and I will protect my rights.

Q. Unfortunately when Mr. Stead wanted to change it you objected?—A. I did not have the opportunity to object, he did not come to me.

Q. That is what I understood some one to say?—A. Mr. James said Mr. Stead wanted him to change it.

Q. You spoke about the land being bought by the Kent Northern railway for a station, how many years ago was that?—A. It was not bought by the Kent Northern railway. I did not say anything of the kind. I said that the field in which the Kent Northern railway station was situated, and which purported to be 100 acres, was sold within the last twelve months to O. K. Black by Solomon Powell for \$125.

Q. That does not include the property upon which the station stands?—A. I presume not, as the Kent Northern railway have possession of that, but it is the field in which the station stands.

*By Mr. Crocket:*

Q. Is this water tidal water at Richibucto?—A. It is tidal water, yes.

Witness discharged.

Mr. J. D. IRVING called, sworn and examined:

*By Hon. Mr. Pugsley:*

Q. Where do you reside, Mr. Irving?—A. At Buctouche.

Q. In the county of Kent?—A. The county of Kent.

Q. How far is that from Richibucto?—A. About 18 miles.

Q. What is the nature of the business you are engaged in?—A. Lumbering, general business, coal and fish.

Q. Do you deal in fish as well?—A. Yes.

Q. And you ship fish in refrigerator cars?—A. Yes.

Q. Where is your principal market?—A. New York, Boston, Buffalo, Chicago.

Q. The fish I presume bought from the fishermen at Richibucto and other places are put into cars at Richibucto and sent away?—A. Yes.

Q. Have you a place of business except at Buctouche?—A. Well, we buy sometimes at Rexton and we buy some at Chatham.

Q. In carrying on your business is there any advantage in having a place of business adjoining the railway track?—A. Yes, sir.

Q. What is the advantage?—A. Well, by bringing of cars of goods right to the back of our stores, there is a saving on handling, &c.

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Q. You have that advantage at Buctouche, have you?—A. Yes.

Q. What saving does it make in the loading or unloading of cars?—A. Probably \$4 or \$5 a car, that is according to the distance we have to haul them.

Q. You have cars come alongside your warehouse now?—A. Yes.

Q. Do you know the propetry at Richibucto sometimes called the DesBresay and sometimes called the sawdust wharf?—A. Yes.

Q. How long have you known that property?—A. I have seen it ever since I have been a boy, probably 30 years or more.

Q. It is said to have a water frontage, according to Mr. Stead, it should be 570 feet, but according to the deed it should be 750 feet, you I suppose in a general way know what the frontage is?—A. Just what I have heard here.

Q. Are you the owner of property in Buctouche having a water front?—A. Yes.

Q. You own a considerable area there?—A. I have close on half a mile.

Q. You are not doing business in Richibucto?—A. None whatever.

Q. You know the firm of Messrs. A. & E. Loggie?—A. Yes.

Q. Are they largely engaged in business, lumbering, fishing and general merchandise?—A. Not in Richibucto in lumbering, they are in merchandise and fishing.

Q. That is in Richibucto?—A. In Richibucto.

Q. They are canners as well of fruits and fish?—A. Yes.

Q. Now do you know the wharf of Messrs. Loggie in Richibucto?—A. Well, I have been down on it probably once or twice.

Q. It is said that they have only some 8 feet of water in front of their wharf there, I want to ask you whether you can state as to what in your judgment would be the value of the sawdust wharf to a firm situate as Messrs. Loggie are doing business at Richibucto?—A. It would be worth considerable to them if they could move the railway down on it.

Q. Suppose that you were in business in Richibucto as Messrs. Loggie are, and you owned that property, what would you sell it for?—A. Well, I do not know if I had it that I would sell it at all, unless I could get another one to replace it.

Q. It has been stated by Mr. Stead in that letter which he wrote to me in answer to that request for information in regard to the knowledge which he had before reporting in the value of this property, that there was a party in Buctouche who said that he would not take \$10,000 for it if he owned it, and he said you are the gentleman to whom he referred. Did you tell Mr. Stead that?—A. Well, I did, I said that if I had it in the town of Buctouche, situated as it was there, I would not take it.

Q. Which is the larger place, Buctouche or Richibucto?—A. Well, Richibucto.

Q. Richibucto you say is a larger place than Buctouche?—A. Yes.

Q. If you were in business in Richibucto what would you value that property at?—A. That is carrying on business the same as I am.

Q. The same as you are.—A. Well, my business is coal, and lumber business as well, I handle a lot of coal.

Q. If you owned that property in Richibucto would you take \$5,000 for it?—A. No, sir, I would not, not by any means—

*By Mr. Reid (Grenville):*

Q. In its present condition?—A. In its present condition—provided I could not get anywhere else to deep water with a railroad connection.

*By Hon. Mr. Pugsley:*

Q. And this is the only place at which you can get that?—A. Yes.

Q. The railroad does not run to any other wharf except to the municipal wharf adjoining this?—A. No.

Q. And if you owned it you would not sell it for less than \$5,000?—A. No—that is providing I was doing business there.

Q. Yes, providing you were doing business there?—A. No, sir, I would not.



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*By Mr. Crocket:*

Q. Would you give \$5,500 for this property if you could buy it for \$700?—A. It is not very likely I would, not if I could buy it for \$700.

Q. You have known Mr. O'Leary for a good many years?—A. Yes.

Q. He is a large property owner, he is looked upon as one of the largest business men we have in any of the northern counties in New Brunswick?—A. Well, I cannot just say that.

Q. You say that he is not the largest property owner in the county of Kent?—A. The largest property owner?

Q. Yes?—A. No, I would not—in real estate?

Q. One of the largest property owners in the county of Kent?—A. I do not know that I would say so.

*By Mr. Reid (Grenville):*

Q. Would you say that he is not one of the largest?—A. Well, I think I compare with him.

*By Mr. Crocket:*

Q. I do not wish to depreciate you at all, but is he not one of the largest?—A. One of them? Oh, yes.

Q. Is he the largest property owner in Richibucto? He is, is he not?—A. Yes.

Q. And is he not one of the largest property owners in the county of Kent?—A. One of the largest.

Q. He is looked upon as a man of fair business ability, is he not?—A. Yes.

Q. And he is generally regarded as a shrewd business man?—A. Yes.

Q. Do you think Mr. O'Leary would sell that property for \$700, if he could get \$5,000 for it?—A. I do not think he would.

Q. You know he did sell it for \$700?—A. I heard so.

Q. You spoke about having some wharf property yourself at Buctouche?—A. Yes.

Q. I think you said you had about half a mile?—A. In the vicinity of the water front.

Q. How much did you pay for your wharf property in Buctouche?—A. One wharf I bought for \$220 somewhere about ten or fifteen years ago, I could not tell exactly.

Q. And you have a half a mile of it on the shore?—A. I have close on to a half a mile, I think.

*By Mr. Reid (Grenville):*

Q. And is the railway running on it?—A. Yes, not on the whole of it, but the front wharfs.

Q. That part of it that you bought for \$220?—A. That is what I bought it for, and I put the railway there myself, I drove the piling there myself.

*By Mr. Crocket:*

Q. Would the sawdust wharf be worth any more to the A. & R. Loggie firm than it would be to Mr. O'Leary, at Richibucto?—A. Well, Mr. O'Leary has a wharf now to deep water, while the Loggies have not one.

Q. But they have a wharf in front of deep water?—A. Yes, they have one in front of deep water.

Q. Could not the front of the Loggie wharf be carried out to the channel just the same as the O'Leary wharf has been?—A. I think they would have to carry it out quite a bit, I do not exactly know what the distance would be.

Q. You tried to buy wharf property in Richibucto, did you not?—A. Yes.

Q. What property was it?—A. They call it the Wark wharf, I think.

Q. Do you know that an appropriation was put through here of \$2,000 for the purchase of the wharf at Richibucto, and that at that time it was contemplated that this Wark property should be bought?—A. Did I what.

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Q. Do you not know that it was the purchase of the Wark property of which you speak now, that was contemplated at that time?—A. I did not.

Q. You do not know that an appropriation went through, and that at the time it went through it was in contemplation to buy this Wark property which you tried to purchase and that it was offered for \$800?—A. I did try to buy it.

Q. And you tried to buy it to sell to the government?—A. I could not say that it was offered for \$800.

Q. And, in negotiating for that property, you were negotiating for it with the view of turning it over to the government?—A. Not that I know of, I expected of course we might be able to turn it over.

Q. What did you offer for the property, \$700.

Q. That is the property next to the municipal wharf?—A. Yes.

Q. Does it run out to deep water?—A. I think it is out to deep water, yes.

Q. Has it a long frontage?—A. Not a very long frontage.

Q. What would you think the frontage is?—A. I just forget now the number of feet there was on the lot, I could not swear to it, I could not give it to you from memory.

Q. It was a completed wharf, built right up to the face of the channel, was it not?—A. Built up to the face of the channel.

Q. And you offered \$700 for it.—A. \$700.

Q. But now you come here and say that if you were in Richibucto you would give \$5,000 for the sawdust wharf?—A. I say that if I were doing business there and could not get a wharf with the railway on it, I would.

Q. That Wark wharf, as a matter of fact, was sold for \$750, was it not, within two years?—A. I could not say what it was sold for. I know I did not get it, I made an offer of \$700 but what it was sold for I do not know; I was under the impression that they got \$800 for it, but I have heard since they only got \$750, I have no knowledge.

Q. You stuck at \$50, did you, on that occasion?—A. Well, he never made me an offer.

Q. You were not negotiating for it with a view to using the property yourself?—A. Not at that time.

Q. It was for the purpose of making a sale?—A. I considered it was a bargain for any one who wanted it.

Q. You are the same J. D. Irving that Mr. Carter alluded to yesterday in his evidence?—A. Yes.

Q. As one of the campaign managers in the county of Kent?—A. Yes.

Q. Associated with Thos. O. Murray and George W. Robertson?—A. Yes.

Q. In the conduct of the last campaign?—A. Yes.

Q. You do not deny that at all?—A. No, I do not.

Q. And you have been drawing large amounts from the Public Works Department, have you not?—A. Not very large, I have been drawing some amounts.

Q. They have been pretty fair amounts?—A. They do not amount to very much, I do not think so.

Q. And your accounts have been certified to by Geoffrey Stead?—A. Yes.

Q. You have been selling stone to the government, have you not?—A. Yes.

Q. You have been selling it from year to year?—A. No, I do not think from year to year.

Q. Well, I can say you have; I can call your attention to the items?—A. I cannot say from year to year, for two or three years I think I did.

Q. And you have been getting how much for it?—A. How much per yard?

Q. Yes?—A. Well, from my memory I cannot just tell you.

Q. You have been getting \$2.25 a yard, have you not?—A. For the large stone.

Q. And what for the small?—A. Well, from memory I cannot tell you, but I think it is about one dollar, I am not positive.

*By Hon. Mr. Pugsley:*

Q. That is per cubic yard, is it?—A. Yes.

*By Mr. Crocket:*

Q. And that has been going on for some years?—A. For a few years.

Q. In connection with what they call the channel through Buctouche Beach?—  
A. Yes.

Q. And in connection with Chockfish and Richibucto Cape?—A. Yes.

Q. And you have been getting an allowance for an engine that you have there, haven't you?—A. Yes.

Q. And an allowance for a scow?—A. Yes.

Q. And you have been getting that for every year since 1904?—A. I cannot just tell you, but it is ever since they started the work.

Q. How much is that engine worth?—A. Probably \$500.

Q. Would you be surprised, Mr. Irving, to hear that you have got over \$2,000 for the use of that engine?—A. Yes, sir, but there is fuel and everything else in connection with it, it is not only the engine that has to be taken into consideration there.

Q. What was the scow worth?

Hon. Mr. PUGSLEY.—Mr. Crocket thinks that it is a self-acting engine, you know, Mr. Irving.

Mr. CROCKET.—I have not come to the worst feature of it yet, doctor.

*By Mr. Crocket:*

Q. Now, we have the value of the engine, what is the value of the scow?

Hon. Mr. PUGSLEY.—If there is any question connected with the Chockfish Harbour or the Buctouche work that is a matter to go into separately, unless Mr. Crocket says that he is asking this question for the purpose of discrediting the witness. If he chooses to do it on that ground he can do so, but that is the only ground on which he can do it at this time.

The CHAIRMAN.—I think you are right, Mr. Pugsley, I have allowed as much latitude as I possibly could, but I think you are right there.

Mr. CROCKET.—I think I am justified in asking the question on the ground that this gentleman has been produced to testify as to the value of the property bought by the government, and I want to show that he has been getting exorbitant prices, and that Mr. Stead, whose valuation he supports, has certified to those prices.

Q. What is that scow worth?—A. Probably \$150.

Q. And you have been getting \$2 a day for the use of that scow, haven't you, for some years?—A. Yes, for some years.

Q. And that scow you say—How long have you had it?—A. I cannot tell you from memory.

Q. And Mr. Stead certified that as a fair and reasonable charge and you have had hundreds of dollars from the government for the use of that scow?—A. I suppose probably I have.

Q. How much do you pay for the stone that you get?—A. It is cut in the yard, the men are put on by the day.

Q. How much do you pay for the stone that you get \$2.25 per cubic yard for from the government?—A. Well, ay, how do you mean?

Q. How much does it cost you?—A. Well, the first year when we wound the business up I had \$36 and some odd cents left as profit, I cannot tell you just exactly what it cost.

*By Mr. Sharpe (Ontario):*

Q. Do you own the quarry?—A. No, the man who owned it quarried and I hauled it.



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*By Mr. Crocket:*

Q. This stone is used in the channel, what we call the channel?—A. Not in the channel, I think it is used for ballast on the outside of the breakwater, there is a breakwater outside this channel.

Q. This work is spoken of as a channel through Buctouche Beach. What was the purpose of that work?—A. It was to let the boats in and out. Years ago there was an opening through it where the boats could come in and out instead of going around a long sandy beach, about 7 miles long. Buctouche Beach extends seven miles out from the mouth of the harbour and years ago, I do not remember it, there was an opening there through which the boats could go, but it filled up and they have been trying to make another opening.

Q. And the work has been going on from year to year, and what is done one year is filled in by the next?—A. No, sir.

Q. Is not the work in the same condition to-day as it was when it was started?—A. It has not filled in any more.

Q. And it has never been of any public service?—A. It is not completed.

*By Hon. Mr. Pugsley:*

Q. The work, you say, is not completed yet?—A. No, it is not completed.

*By Mr. Carvell:*

Q. When you made the statement that the work is the same now as it was when it commenced you meant that the work was of the same character, did you not?—A. I meant that it is not completed.

*By Mr. Reid (Grenville):*

Q. I just want to ask this witness a question. At the time you were negotiating for the purchase of this wharf at Richibucto, had you spoken to, or had any government official spoken to you with reference to selling it to the government?—A. None whatever.

*By Mr. Carvell:*

Q. Mr. Irving, when you talk about renting an engine to the government from year to year for how many days in the season would that be?—A. Not very many.

Q. Would it be for one-half the year?—A. No, sir, no.

Q. Would it be for one-quarter of the year?—A. Well, I do not think so, I do not think it would extend to three months, it would not be over two months; of course it may extend longer in some years.

Q. What do you furnish with that engine?—A. Coal, oil, and a man.

Q. You pay all wages and all expenses connected with it?—A. Yes, and the coal has to be hauled from Buctouche down there, a distance of probably six or seven miles.

Q. And what do you get a day for it?—A. \$8 a day.

Q. Now, as to the scow, how many days in the year was the scow employed?—A. Well, from memory I cannot tell you, but I think that last year—it is pretty hard for me to tell—but I think it was probably 20 odd days last year.

Q. And you charged the enormous sum of \$2 per day for it?—A. Yes, sir, and last year I took the scow away from there and sent it to Cape Bald breakwater.

Q. Why?—A. Because I got steady work for them and steady pay.

Q. Was it the government who gave you that work?—A. No, sir, it was not.

Q. Who was the man gave you that job?—A. Mr. Bogart.

Q. Is he a contractor?—A. Yes, Mr. Wallberg's manager.

Q. And he gave you \$2 a day for the scow, and for that reason you did not leave the scow there last year?—A. They were there for a part of the year, and I took them away. I called up the manager of the work and told him if he would give me steady work I would let them stay but he said he could not do that and so I took them away.

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Q. You could make more money by renting them to private parties and so you took them away?—A. Yes.

Q. For how many years did you supply stone?—A. I cannot tell you from memory, but I know the first year there was only \$36 profit left after the year's work but my time was worth too much to me to be running around on work that I could only get that much out of, so I dropped it.

Q. You dropped out of it?—A. I did.

Q. Have you done any since?—A. I did last year, on this job at Buctouche Beach, they could not get it anywhere else, we owned quarries and brought the stone down to them, and that was the cause of losing my scow.

Q. Did the government pay for your scow?—A. No, they did not, I got so much a yard for the stone delivered there.

Q. Is \$2 a yard for stone delivered at that place a reasonable price?—A. I would say so.

Q. Are you anxious to have any more contracts at that price?—A. No, I do not want to bother with it at that price.

*By Hon. Mr. Pugsley:*

Q. You stated to Mr. Crocket that some 15 years ago you bought a wharf property of Buctouche for \$220. What is that property worth to-day —A. I would not sell it, without I sold out my whole business.

Q. What is that wharf property worth now?—A. I would not take the sum of \$5,000 for it. I am getting an income now from it of over \$500 a year.

Q. You bought this property at a low price when it had little improvements on it. You put a railway track on it, and it is worth a great deal more now?—A. Yes, and at the time I bought it I was not using it, but I would not sell it now at all.

Q. Of recent years has there not been a very very marked improvement in the values of water frontage in the towns of New Brunswick?—A. Yes, there has, that is my opinion.

Q. And wherever you get connection between the railway and the water front, where you have improved the facilities by giving proper accommodation on the wharf business increases annually, does it not?—A. It makes the property more valuable.

Q. Because the business increases when you give better facilities for doing it?—A. Yes.

Witness discharged.

Mr. J. B. FOSTER called, sworn and examined:

*By Hon. Mr. Pugsley:*

Q. Mr. Foster, where do you reside at present?—A. At Dorchester.

Q. You were formerly, I think, warden of the Dorchester penitentiary, were you not?—A. Yes.

Q. When were you appointed warden?—A. In 1878.

Q. And you continued to be warden of the penitentiary down to what time?—A. Until after you people came into power.

Q. Well, that would be about when?—A. 1898.

Q. Now, are you familiar with the town of Richibucto, and the Richibucto river which flows past the town?—A. I was born there.

Q. And what age were you when you left there?—A. 28.

Q. And have you been there frequently since?—A. Not very often—Oh, yes, I have been there.

Q. And off and on you have been there since?—A. Yes.

Q. And do you know what is sometimes spoken of as the DesBresay wharf and sometimes as the sawdust wharf?—A. Yes.

Q. How was that occupied when you first remember it?—A. I saw it building.

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Q. Now, of what material did that wharf consist?—A. Pine and hemlock.

Q. Were there large quantities of timber placed in it?—A. Yes, and large timber.

Q. Large timber, and large quantities of timber in it?—A. Yes.

Q. It is stated, Mr. Foster, that in recent years the wharf has gone somewhat into decay although the engineers state that the lower part of the wharf, that is all that part of it under low water is there still. Would it be your experience that pine and hemlock timber which would be beneath the water would remain sound?—A. The hemlock would stay there for a hundred years.

Q. So that the timber under the water would be sound?—A. It would, and it was good timber too, because at that time the hemlock was large and it was not of very much value, and it was good large timber that was put in there.

Q. How was the wharf ballasted?—A. The vessels used to come there in ballast to load deals right off the wharf, and they put their ballast in there. The vessels always brought stone for ballast.

Q. And did the vessels lie at the wharf?—A. Yes.

Q. And they loaded lumber there, did they?—A. Yes.

Q. Have you much experience in land values?—A. Fairly.

Q. Supposing you were doing business in Richibucto, what would you value this wharf property at as it is to-day, or as it was when you last saw it?—A. I do not know that I could answer that, Richibucto land has been changing hands pretty often, and I do not think the property is of very great value.

Q. Would you say that \$5,000 would be a fair and reasonable price in your judgment?—A. If I were doing business there I would not take \$10,000 for it.

*By Mr. Reid (Grenville):*

Q. That is if you were doing business there?—A. Yes.

*By Mr. Blain:*

Q. What is the size of the sawdust wharf?—A. Have you a plan there?

Hon. Mr. PUGSLEY.—Yes, here is the plan.

*By Mr. Blain:*

Q. Never mind about the plan, about what size is it?—A. Well, it was a ship-yard, and the place where they deposited the sawdust out of the mill—that was in the old time when nearly half the lumber cut was turned into sawdust with the gang saws—took up quite a piece of ground.

Q. How many feet long is it that is the property you say you would not take \$5,000 for?—A. It would be 400 or 500 feet, perhaps more.

Q. Did you talk the value of this wharf over with anybody?—A. No.

Q. Never?—A. Oh, well, I may have, but not officially. I may have expressed an opinion that I knew the wharf.

Q. Who to?—A. To anybody that I would be talking to.

Q. Who did you express an opinion to?—A. I met Mr. Murray yesterday in the hotel.

Q. What did you say to him, that it was worth \$10,000?—A. I do not think I did.

Q. What did you say to him?—A. I do not know that I did express an opinion to him.

Q. You say you may have expressed an opinion?—A. I do not know.

Q. Did you or did you not?—A. I do not know whether I did, or not.

Q. You offer evidence to the committee that you did express an opinion yesterday?—A. I did, but I could not tell you who to, I was not talking it over to anybody.

Q. You expressed an opinion to Mr. Murray yesterday as to the value of the wharf?—A. I do not know whether I did or not.

Q. You said you did—



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Mr. CARVELL.—The witness did not. (Question read by stenographer.)

Q. Is that a correct statement of what you said?—A. That is correct.

*By Mr. Blain:*

Q. What was the opinion you expressed to Mr. Murray yesterday about the value of the wharf?—A. I do not know that I expressed any opinion about the value of the wharf.

Q. What did you say to him?—A. I do not know.

Q. Did you talk to him at all in respect to your giving evidence upon this matter?—A. No.

Q. Did you talk to anybody else since you came to Ottawa, in this room or anywhere else, about giving evidence in this matter?—A. I think not, not about giving evidence here, I did not come here on this business at all.

Q. Did you discuss the value of that wharf with anybody since you came to Ottawa?—A. I cannot answer that, I do not know whether I did or not.

Q. When did you come to Ottawa?—A. Two or three days ago.

Q. And you cannot say whether you discussed the value of this wharf since you came to Ottawa?—A. I may have, I do not know, I could not say whether I did or not, I was met by your friend beside you there.

Q. Did you talk to Mr. Carvell?—A. No, I have heard tell of him.

Q. Who did you talk to since you came here?—A. The member for Halifax sitting beside you (Mr. Crosby).

Q. Who is the member for Halifax?—A. Who is he? Don't you know?

Q. All I want the witness to say is who he did talk the value of this wharf over with since he came to Ottawa within the last two or three days?—A. I do not know that I did talk it over, I may have, but I do not know that I did with any person.

Q. Do you think you did?—A. I think I might.

Q. Who did you talk it over with?—A. Well, there were two or three gentlemen from Richibucto here.

Q. Who were they?—A. There was Mr. Murray, and there was this gentleman who gave his evidence here a short time ago.

Q. That is Mr. Irving?—A. Yes.

Q. What did you say to Mr. Irving?—A. I do not know.

Q. What did you say to Mr. Stead?—A. I never saw him.

Q. Or to Mr. Murray as to its value?—A. I do not know that I said a word about it.

Q. Did you or didn't you say anything to him about the value of this wharf?—A. I do not know.

*By Mr. Reid (Grenville):*

Q. You say that you were the warden of the penitentiary at Dorchester?—A. I did not say so, Mr. Pugsley said so.

Q. Were you the warden of the penitentiary at Dorchester?—A. Yes.

Q. You were dismissed after this government came into power?—A. Yes.

Q. Was there an investigation?—A. Yes.

Q. Were charges made against you?—A. Yes.

Q. And the result of the investigation was that you were dismissed, what was the reason?—A. Well, I do not know.

Q. Well, can you tell us what the charges against you were?—A. I was not a Grit.

The CHAIRMAN.—I think this is going a little too far.

Mr. REID (Grenville).—I will not pursue the question further then.

*By Mr. Reid:*

Q. I would like to ask this gentleman, you are here on business now?—A. I have a letter here I would let you read if you like.

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Q. You say you are here at Ottawa on some business?—A. Yes.

Q. Is it any business in connection with the government?—A. No.

Q. You are not here to interview any minister of the government on any business?—A. Yes, I am.

Q. That is your business here in Ottawa to-day?—A. Yes.

Q. Have you seen any minister in Ottawa on the business you are here for?—A. No.

Q. You have not seen any one yet?—A. No.

Q. You are here to ask some favours from the government?—A. How do you know.

Q. Well, I ask you that question, whether you are?—A. I do not think I am bound to tell you what I am here for.

Q. You refuse to answer that question?—A. Yes, I will, because you have no right to know it.

Q. Are you here asking for consideration for the time you were warden at the penitentiary?—A. Are you guessing at it?

Q. I am asking you the question?—A. Are you guessing that? I am not here to answer such questions.

Mr. SHARPE (Ontario).—Surely this is an interested witness, he is giving evidence on behalf of those from whom he is asking a favour, he is an interested witness.

The CHAIRMAN.—You can ask him if he is seeking the settlement of any claim he has against the government, I would allow that question.

*By Mr. Reid (Grenville):*

Q. Are you here I ask you as the chairman suggested, to have any claim against the government settled?—A. No, I am going to see the minister on that point.

Q. What minister?—A. Mr. Aylesworth.

Q. You are going to see him?—A. Yes.

Q. Therefore you feel that you have a claim or grievance against the government that you are here trying to get settled?—A. Yes.

*By Mr. Crosby:*

Q. I would just like the witness to tell the committee all that passed between him and me?—A. I could not tell you, I cannot remember a word.

Q. This gentleman came into the House of Commons this morning and spoke to me. I know Mr. Foster very well and shook hands with him and told him I was glad to see him. He told me he was going to give evidence here to-day, and he said, 'Do not think I have changed my politics because I am going to give evidence.' And I said, No, I would not.—A. That is right.

Q. I had no conversation whatever with my friend regarding the evidence he was to give or anything else, but I said to him, 'whatever evidence you have to give, go on and give it according to your own views.'

*By Mr. Blain:*

Q. I would like to ask how the gentleman can remember so well what took place between the member for Halifax and himself, when he could not remember what passed between him and Mr. Murray?—A. Well, he brought to my notice what was said but I do not know what I did say to Mr. Murray.

Hon. WILLIAM PUGSLEY, Minister of Public Works, called, sworn and examined:

*By Mr. Carvell:*

Q. You are Minister of Public Works?—A. Yes.

Q. As Minister of Public Works have you had an offer from any person or any firm for the sawdust wharf property at Richibucto which was purchased by your department

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from Mr. T. O. Murray?—A. It having been stated by Mr. Stead in a letter which is already in evidence, and also stated to me verbally that Messrs. A. & S. Loggie had stated that they would gladly give \$5,000 for this property I asked that a subpoena should issue to Mr. Andrew Loggie in order that he might appear before the committee and corroborate that if it were true, as I had no reason to doubt that it was true. The Chairman received a certificate from a physician that Mr. Loggie is ill and unable to attend, and yesterday I received or rather the chief engineer of the Public Works Department saw me and showed me this letter and cheque, which were contained in this envelope. That is the letter, and that is the cheque, (handing documents to Mr. Carvell).

Q. This is a letter from whom?—A. From Messrs. A. & E. Loggie.

Q. Yes, and the cheque, it is a marked cheque for \$5,500. And is this A. & R. Loggie the firm who have been mentioned here a number of times during this investigation as doing a business at Dalhousie, Richibucto and other places?—A. It is the same firm.

Q. What does the letter and cheque say?

Mr. CROCKET.—Read the letter.

Mr. CARVELL.—Very well, I will read it, this is it. (Reads.)

‘LOGGIEVILLE, N.B., CANADA, January 18, 1910.

E. D. LAFLEUR, Esq.,

Chief Engineer, Dept. Public Works,  
Ottawa.

DEAR SIR.—With the hope that the Public Works Department will be willing to resell and dispose of the wharf property in Richibucto, N.B., sometimes called ‘The sawdust wharf,’ and being desirous of purchasing the same for use in the prosecution of our business, we hereby offer to purchase the said wharf property as described in deed from R. O’Leary and wife to T. O. Murray, dated on or about May, 1918, and to pay for the same the sum of \$5,500 cash, for which amount we herewith inclose our certified cheque on the Bank of Montreal, payable to the order of the honourable the Minister of Public Works. This offer to remain open for thirty days, and that the notice of acceptance or refusal be forwarded within that time.

In case of acceptance, that a deed be executed and delivered to Andrew Loggie, Robert Loggie and Francis P. Loggie, all of Loggieville, in the county of Northumberland, and province of New Brunswick, merchants, immediately on the expiration of that period. In the case of refusal of this offer, that a notice of same be given immediately on the expiration of that period, and the certified cheque inclosed herewith, be returned to the undersigned.

Yours sincerely,

(Sgd) A. & R. LOGGIE.

It is accompanied by a cheque, as follows:—

‘Andrew Loggie,

Robert Loggie,

Francis P. Loggie,

Loggieville, N.B., Jan. 18, 1910.

No. 20146.

Bank of Montreal, Chatham, N.B., Jan. 18, 1910, accepted.’

Pay to Hon. W. Pugsley, Minister of Public Works or order, five thousand five hundred dollars (\$5,500).

A. & R. LOGGIE.

(Red ink.)

Richibucto wharf.

(Stamp at top left hand corner.)

Bank of Montreal, Chatham, N.B., Jan. 18, 1910, accepted.



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*By Mr. Carvell:*

Q. Have you, Mr. Pugsley?—A. Pardon me, I might say to you that I have had no communication whatever with Messrs. A. & R. Loggie in regard to this matter.

Q. There was nothing that led up to this at all?—A. Nothing whatever.

Q. So far as you are concerned, and so far as you know by any of the officials of your department, this is a voluntary offer from Messrs. A. & R. Loggie?—A. Purely voluntary on their part.

Q. Have any of your officials to your knowledge directly or indirectly sought an offer of this kind or of any other kind from Messrs. Loggie & Co. for this property?—A. No.

Q. Have you accepted or rejected the proposition contained in this letter?—A. I have not accepted or rejected it, as you will see, the offer remains open for 30 days. I might say to you that what I thought of doing was this: after conferring with officers of my department with regard to the matter, to reserve if they were willing to do so a piece of the property which is next to the railway wharf; what we need for public purposes is two things, we want first to preserve for all time the right of sewerage into the river from the public building, then we want enough property that we can extend the wharf—

Q. That is the municipal wharf?—A. That is the wharf we bought from the municipality, which we are rebuilding, to extend that wharf along the river channel so as to give a frontage of about 400 feet in order that the railway track can be carried along that front parallel to the channel.

Q. In order that you may have the cars placed sideways to the channel?—A. Sideways to the channel—I would propose making to Messrs. Loggie a counter proposition, we retaining enough area for what we require for the extension of the railway on the wharf and securing sewerage rights, and to sell them the remainder of the property; we propose offering to sell them that at a pro rata rate of the \$5,500 which they offer for the whole property.

Q. In case they do not accept the offer would you, as Minister of Public Works be willing to dispose of the whole of it if the price offered is reasonable?—A. No, I would not, because we must retain a portion which we require for the extension of the railway in any event.

*By Mr. Crocket:*

Q. In your experience as Attorney General of New Brunswick?—A. Pardon me a moment, I should have said this: I said that I had no communication in any way with Messrs. A. & R. Loggie. There was a telegram from Mr. Loggie to me as to his illness which I put in before the committee on Wednesday.

Q. Do you take it that this letter inclosing a cheque for the purchase price of this property was the first communication that the department had with the Loggies?—A. In reference to this property?

Q. In reference to the purchase?—A. It is the first that has come under my knowledge, yes, except—oh yes, the letter from Messrs. A. & R. Loggie to Mr. Stead which is already in evidence, and in which they said they would gladly give \$5,000 for it.

Q. And without anything further passing at all they sent this cheque and letter making an offer without any agreement of any kind being arrived at, and without any intimation to them that the department would sell the property?—A. There has been no communication of any kind from me or from anybody with my authority or knowledge offering the property for sale.

Q. Did you ever know as a business man, or as a member of the government either in New Brunswick or here, of such a proposition as that?—A. I think it is a very reasonable proposition for this reason: you see they make there an offer for the property of \$5,500; I take it for granted that having seen the value of this property has been in question and their names having been mentioned by Mr. Stead, and they would know that they had told Mr. Stead the government engineer that they would

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gladly pay more for the property than the government was paying for it, I take it for granted that they want this property as a business proposition, and I think that is true, because if Mr. Murray stated what is true they requested him twice to withdraw the option he had given the government and stated that they would give him more than that for it. I take it they wanted the property, and it strikes me as a business proposition—and I have no doubt it is a perfectly bona fide offer. I might say that I know Messrs. Loggie, they are among the most thorough going, straight business people you could find in New Brunswick.

*By Mr. Sharpe (Ontario):*

Q. Are they wealthy men?—A. They are wealthy men.

*By Mr. Crocket:*

Q. They are doing an extensive business with the Public Works Department at the present time, are they not?—A. Not extensive, their business in dredging has not been very large, compared with others.

Q. How many thousands of dollars have they got up to the present time?—A. I could not tell you how much, they have been dredging at Dalhousie, some at Bathurst, some at Caraquet, and some on the Miramichi, but their dredges are not of the largest type.

Q. They have acquired a dredging plant since you became Minister of Public Works, haven't they?—A. They had a dredging plant before that.

Q. Are you aware of that?—A. I think so.

Q. Is not the fact this that they dredged a wharf of their own in front of their wharf at Loggieville, and they used some schooner which they fitted up for the purpose, they did the dredging themselves, and then the government paid them the money for doing it, and after that they acquired a dredging plant?—A. I am not aware of it.

Q. Do you say you are not aware of it?—A. I said my idea was that they had a dredging plant before I became Minister of Public Works, they may have enlarged their plant since that, but I think they were engaged in the dredging business since I became minister. At all events they did not acquire any plant at any suggestion of mine, they are very thorough business people who do not interfere with other people's business, and they are men who do not make many acquaintances; I know very little about them, although I know them.

Q. You heard Mr. Stead examined here the other day and he said that he was at Dalhousie on the 14th of October 1908, and that you were there, and you heard the telegram read that was sent by you to the chief engineer at Ottawa asking that Messrs. Loggie's dredge the *Hayward* be sent to work at Bathurst at prices to be certified as fair and reasonable by Geoffrey Stead.—A. I think it was not exceeding the price on the Caraquet work, I think the instructions were that it was not to exceed the price of the Caraquet work.

Q. That is the home of Mr. Andrew Loggie, is it not, of the firm of A. & R. Loggie?—A. One of the Messrs. Loggie lives at Dalhousie, but I do not know whether it is Andrew Loggie or not. I know they have a large refrigerator warehouse there.

Q. You saw Mr. Andrew Loggie there that day?—A. I think not, I have no recollection of seeing him. But if you can refresh my memory on the matter I will be obliged; I have no recollection of seeing him.

Q. I am referring now to the day you sent the telegram. Will you say that you did not see Andrew Loggie that day?—A. I may say to you that I have no recollection whatever of seeing Mr. Andrew Loggie on that day. I may say to you that the telegram was not sent at the request of Mr. Loggie at all, but because the representative of Gloucester had been urging me to have very important and very necessary dredging done there. Mr. Loggie had nothing in the world to do with the sending of that telegram.

Q. You recollect Mr. Stead said that he had gone to Dalhousie to see Messrs. Loggie?—A. I do not think he said that.

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Q. That he had written to Mr. Loggie asking for a valuation of this property following his interview with you in St. John?—A. This interview with me in St. John was on the 26th of December, and this was long before that.

Q. I am referring to the fact that he writes this letter after the 26th of December?—A. I went to Dalhousie for the purpose of examining the harbour, and looking into certain works I had been urged to construct, and I went to Campbellton, and naturally I had the resident engineer to go over these works with me.

Q. You went to Dalhousie to examine this wharf?—A. And to address the public meeting as well.

Q. It was during the campaign?—A. Yes, we usually address meetings during the campaign, you know.

Q. And you stated you went there to examine the wharfs?—A. Yes, and to address the meeting.

Q. With the resident engineer, did he go there with you?—A. I think he met me there, I am not quite sure, but I think I saw Mr. Reid, the member there also.

Q. I have not the slightest doubt about it, the minister is always a popular man, especially in small towns. That is all the statement you have to make, is it, Doctor, in connection with this case?—A. Well, perhaps I should not say that. Mr. Crocket asks if that is all the statement I have to make and that perhaps might convey a wrong impression. I am quite ready to answer any further questions.

*By Mr. Sharpe (Ontario):*

Q. Did you see this wharf before purchasing it?—A. No, I did not.

Q. You did not see it first?—A. I may say that I first made an order, I think it was in June, to have a report made upon the wharf. The report was made, I looked it over, and considered that as it had such a large area, and in view of the report of the engineer that the quantity of material in it was estimated at about a million cubic feet and knowing a good deal about the value of wharf properties myself, I thought this was a reasonable price for it. It never occurred to me that there would be any question in regard to it; I did not know that Mr. O'Leary had owned the property, I had no idea from whom Mr. Murray had bought it, and supposed that he had held it for some years. I did not decide at once to purchase it, but later on I think some other communications in reference to the matter had been brought to my attention and I asked for a further report, and you will find upon the files a further report from the engineer sometime in August, perhaps the 9th of August. There was an additional report made and I considered the matter again and I recognized that we needed the wharf for the public convenience in connection with the railway, and also in connection with the sewerage of the public buildings, and believed that the price was reasonable, and relying upon the statement of Mr. Stead, I decided to purchase. I had found he was a careful man and had great confidence in him. Later on after the purchase had been completed, I learned that Mr. Murray had bought this property from Mr. O'Leary at the sum of \$1,000, Friday, January 21, 1910. I think Mr. Leblanc spoke to me about it and said that he thought too much had been paid for it.

*By Mr. Crocket:*

Q. That is the member for Kent?—A. Yes, the member for Kent. I felt annoyed that Mr. Stead had not given the information with regard to what had been paid to Mr. O'Leary, and I wrote him a letter which is on evidence here, the letter of the 13th of January. Mr. Stead's explanation satisfied me that he had acted in good faith, acted bona fide, and that the property was fairly worth what he had stated. While the consideration that had been paid to the previous owner is evidence of value it is not at all conclusive. I had known of the Shives property which the engineer speaks of. I was acting for Mr. Shives. That was the property that had been bought at a very low price by Mr. Shives, and the appraisers, Mr. Thorne, who was a very prominent merchant in St. John, not belonging to the Liberal party but a very strong Con-



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servative, Mr. George McLeod the same and Mr. McKean, had valued that property at \$35,000.

Q. How many years afterwards?—A. Only a few years, a very few years.

Q. Six years I think Mr. Stead stated in his report?—A. I had known of wharf property in St. John which had been bought for a small sum and had increased in value.

*By Mr. Sharpe (Ontario):*

Q. Not so rapidly?—A. Quite as rapidly. I could give you an instance where it increased much more rapidly in the wharfs on the western side of St. John which are now a part of the terminus. It is very peculiar with wharf property, as Mr. O'Leary said to-day—he says he was aware his property was worth a good deal more than it was some time ago—the moment you begin to make improvements to harbour frontage, property becomes enhanced in value because facilities are provided for business and that improves the property. I thought, while Mr. Stead was quite right in recommending it, if the case had gone into the Exchequer court Mr. Murray would have got \$10,000 for the property instead of \$5,000 on the same basis on which the Shives property had been valued. Therefore, while I asked Mr. Stead to be careful in the future always to give any recent transfers extending over a period of two or three years, I felt that he had acted in good faith and I justified him in what he had done. I may say that I saw Mr. Leblanc afterwards when he told me that when he made this statement that too much had been given for the property he had no idea of the total area that had been purchased. He said that he had looked into the matter and felt that the government had got the property at a very low price and that it was a cheap property.

*By Mr. Sharpe (Ontario):*

Q. Did you understand from the engineer when he was making his report as to the value that it was a commercial value or because of reconstruction from an engineering standpoint?—A. A fair commercial value.

Q. I understood from him that it was not a commercial value but rather because of reconstruction from an engineering standpoint?—A. But he certified that the cost was fair and reasonable, that the filling was worth \$15,000 even at the low price of one and one-half cents a cubic foot.

*By Mr. Northrup:*

Q. Is there no penalty in the department for punishing officials who display utter incompetency?—A. I did not regard Mr. Stead as displaying utter incompetency.

Q. I was asking the question?—A. If I had come to the conclusion that Mr. Stead had intentionally concealed the information as to what had been paid Mr. O'Leary, or given a fictitious value for the property, I should have discharged him instantly; but I came to the conclusion that he had acted in thorough good faith and that the property, which as he swears here could not have been purchased from Mr. Murray at less than \$5,000 was got for very much less than we would have had to pay had there been an arbitration or had we gone to the Exchequer Court.

Q. Come back to the original question: Is there any penalty in your department for incompetency on the part of an official?—A. Yes.

Q. Do you consider an engineer displays competency if he ignores the valuation of a property which has been sold a few months previously and does not take the trouble to ascertain the purchase price?—A. That depends upon many circumstances.

Q. In any case?—A. A man sometimes disposes of a property for very much less than it is worth for different reasons.

Q. It does not alter the question: Do you think any engineer would be displaying competency when he recommended a figure, without ascertaining the purchase price of a property which had been sold only a few months before?—A. I think Mr. Stead should have informed the department of the particulars of the last transaction.

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Q. I would call it incompetency or dishonesty?—A. Still that would not have been conclusive as to the value of the property. I think he ought to have done that and I have given directions—I may say that in regard to buildings the architect's branch of the department has always done that—that every valuator must give not only the assessment but the last transfers and the prices paid for the property. We are very careful as to that, but in the buying of wharf properties, which is a somewhat unusual thing, it appears it has never been the practice to give these written directions.

Q. Am I correct in stating that Mr. Stead's salary has been increased since he made his report?—A. No, except that he may have received the ordinary increase of a district engineer.

Q. Has he not received \$200 increase of salary?—A. I am not aware of that. This being a routine departmental matter it would not come to my special notice.

*By Mr. Crocket:*

Q. Is this statement correct, that he got the regular increase of \$100 and another increase in June?—A. No, I think not, he has had the regular increase.

*By Mr. Sharpe (Ontario):*

Q. Do you know of any offers to purchase this property?—A. Yes, and I can sell the property to-morrow for more than the government has paid for it. We have an offer from Messrs. Loggie and I am satisfied we can reserve what we have for wharf purposes and sewerage and for the balance get a substantial proportionate increase beyond what we paid for it.

Q. Are there any possible purchasers except Loggie & Co.?—A. Possible purchasers?

Q. Any person else requiring that wharf down there besides Loggie & Co.?—A. I do not know as to others.

*By Mr. Crocket:*

Q. You state that you learnt some time afterwards the property had been purchased from Mr. Murray for \$1,000. When did you learn that first?—A. That was about the time I wrote Mr. O'Leary. You will observe there is a letter from me to Mr. O'Leary on record.

Q. On the 13th of January?—A. I do not remember the time; I think some time in December. Then I wrote Mr. O'Leary for the facts of the case.

Q. And do you say you got that information from Mr. Leblanc, the first intimation of it?—A. The first intimation I had was from Mr. Leblanc.

Q. And his statement was what?—A. His statement was that he thought I had paid too much for the property, or rather the department had—that Mr. Stead had valued it too high.

Q. Did he not also say that it was hurting the party down there; that it was looked upon as a scandalous transaction?—A. He did not say that, but he said it would be subject to criticism.

Q. And he brought it up to you as a matter that was injuring the party?—A. He did not say that it was injuring the party, but that it was subject to adverse criticism.

Q. And that he himself thought it was an excessive price for the department to pay?—A. Yes, and afterwards he explained to me that he thought we had purchased a very much smaller area than we actually had, and when he learned the size of the property that was purchased he changed his mind and thought that in fact we had got it very cheaply; that the sum we paid was a reasonable price.

Q. Do you remember meeting Mr. Thos. O. Murray and Mr. George W. Robertson at St. John?—A. Meeting Mr. Murray and Mr. George W. Robertson at what time?

Q. In the fall; you heard Mr. Murray's statement here?—A. I have no recollection of having any interview, not that I remember.

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Q. During the campaign of 1908?—A. I remember one meeting there with one or both of them just as I was leaving my office.

Q. You remember that?—A. Yes.

Q. They came to see you together?—A. I do not know that they came together, but I saw the two of them together at the door.

Q. Did they speak to you and express a desire for an interview?—A. I do not remember, I was in a great hurry at the time. I had my valise in my hand and there was a cab at the door; I was in a great hurry to catch the train, as I often am. I said to them, 'Do you want to see me?' and they said 'Yes.' And I replied, 'I cannot see you now I am just catching a train;' that is what took place. It was very much the same way as when Mr. Stead was there; there were a great many people there waiting to see me.

Q. What time was your train leaving there? Was that the evening train?—A. The evening train.

Q. And that is all that took place?—A. That is all that I recollect.

Q. You sent a telegram up to the Department of Public Works here to start work at several places in Kent county by day's labour. Upon what information is the statement in that telegram based?—A. What is the statement?

Q. That it will be advantageous to do this by day's labour?—A. I think Mr. Leblanc had assured me that it was a class of work that might be better done by day's labour than by contract, because it was work that could not be done by contract.

Q. Did you have any conversation with Mr. Carter, Mr. Murray or Mr. Robertson in connection with the matter?—A. I do not remember.

Committee adjourned.

# HOUSE OF COMMONS,

COMMITTEE ROOM, No. 32,

THURSDAY, February 24, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., Mr. McColl presiding.

Dr. DANIEL.—Mr. Chairman, I would move that the evidence in the St. John Dredging and York Point Dredging matter be printed. I desire to ask a couple of questions in that matter to-day, but as there is a gentleman here from a distance, and as some of the members of the committee would prefer to go on with that examination, I will hold mine back.

Hon. Mr. PUGSLEY.—I would like to say this, that Dr. Daniel moves that the evidence in the St. John dredging matter be printed. In looking over the stenographer's notes of evidence which was taken on the 16th of February, 1910. When Mr. Lafleur was on the stand, I notice Dr. Daniel put this question, on page 4. I was not present, as I found it impossible to attend the meeting owing to departmental work I had to look after, and therefore I avail myself of the opportunity of looking over the transcribed notes.

I find on page 44, Dr. Daniel spoke of the contract for the dredging at St. John by the Maritime Dredging and Contracting Company, and he puts this question to Mr. Lafleur: 'How do you account for the difference in those prices? The order in council gives one list of prices and the contract an entirely different list of prices.' to which the engineer says 'I cannot account for it.'

As a matter of fact the contract and the order in council are absolutely identical. Now, I would like that the order in council and contract both be printed. They are not set out in the notes.



## APPENDIX No. 2

Mr. DANIEL.—The order in council is set out, but the contract is not. The order in council and the contract should both be set out in full.

Mr. CARVELL.—I understood the contract was to go in in full.

Hon. Mr. PUGSLEY.—It is not set out in the notes.

The CHAIRMAN.—Dr. Daniel's motion for the printing of the evidence may go, but we should have it understood to include the printing of the contract as well as the order in council.

Hon. Mr. PUGSLEY.—And the papers attached to the contract, forming part of the contract.

Mr. DANIEL.—And any other evidence that may still be adduced.

The CHAIRMAN.—Is there any objection to that motion?

Hon. Mr. PUGSLEY.—When is the St. John matter likely to come up? Not to-day?

The CHAIRMAN.—No, sir.

Mr. CARVELL.—I understood that we were to proceed with the examination of Mr. Loggie, who was to attend to-day on a summons issued the other day.

The CHAIRMAN.—Yes. Call Mr. Loggie.

Mr. CARVELL.—There was a letter read here while the matter was up before, read by the minister. We will have that letter.

The committee proceeded to the further consideration of the payment of \$5,000 to Thomas O. Murray, *re* purchase of sawdust wharf, Richibucto, N.B.

AAANDREW LOGGIE, Dalhousie, called, sworn and examined:

*By Mr. Crocket:*

Q. Where do you reside?—A. I reside part of the time in Dalhousie, part in Loggieville, and part in Richibucto.

Q. You are a member of the firm of A. & R. Loggie?—A. Yes, sir.

Q. How long have you been carrying on business in Richibucto?—A. I cannot give you the exact date, but it must be over twenty years. Perhaps twenty-five years; I am not positive as to the date.

Q. Do you know the property that is generally known as the sawdust wharf at Richibucto, which was formerly owned by O'Leary, and which Mr. O'Leary sold to Mr. Murray for seven hundred dollars, and which Mr. Murray sold to the government for \$5,000?—A. I know the sawdust wharf.

Q. When did you first learn of the purchase of the sawdust wharf by the government?—A. The first information I got of that was one day I met Tom Murray at Kent Junction. It was not sold, but he told me it was sold, in a conversation, or that he had made an offer. That is the first intimation I had ever heard it was sold to the government.

Q. You say he told you he sold it or had made an offer?—A. Yes, sir.

Q. That conversation took place at Kent Junction?—A. Yes, sir.

Q. When?—A. I could not give you the exact date, but I think it was in August. I did not take any note of it at the time, because it was merely a conversation with a friend, but I think it was in August, 1908.

Q. That is the first intimation you had?—A. That was the first intimation I had.

Q. Yes?—A. I can give you the conversation.

Q. That is the first intimation?—A. Yes, sir.

Mr. CARVELL.—I think he objects to you importing into his language the words 'should be taken over.'

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*By Mr. Crocket:*

Q. That is the first intimation you had of any negotiations for the purchase of the property by the government in the month of August, 1908?—A. I think it was; I am not sure.

Q. Did you know at that time what Murray paid for the property?—A. I knew that day he told me.

Q. What did he tell you?—A. That is what I am going to if you will allow me. He said 'Andrew, I have sold the sawdust wharf to the government.' I said 'Yes.' I said 'What did you get for it.' He said 'I got five thousand dollars for it.' I said 'Tom, I think you sold it too cheap.' He said 'I got a fair profit on it, and I was satisfied to sell it for that.' I said 'What did you pay for it?' He said: 'I paid a thousand dollars for it. I said 'Of course, Tom, that is a cheap price, but I think you should have got more money for it, notwithstanding the fact you paid that money for it, because that property will be worth more money if the government takes over the Kent Northern Railroad, and there is a line of steamers running from there to the Island.' I said 'You say you have sold it?' 'Well,' he said 'I have made them an offer on it.' 'Will you withdraw that offer.' 'No' he said, 'I could not withdraw that offer; it has gone too far.' That is as near as I can remember the conversation at that time.

Q. That is the whole of what you remember?—A. Yes.

Q. You say that conversation took place in the month of August?—A. I think it was in August.

Q. Do you know that the Order in Council authorizing the purchase of this property did not go through until the month of September?—A. I do not know anything about it.

Q. And do you know that the deed was not executed until the 24th of September?—A. I did not, except what I saw in the public press since then.

Q. But Murray told you that in the month of August?—A. I think it was in August.

Q. Is that the only conversation you had with Murray before the purchase was completed? That is the first, you say?—A. That is the first. I may have had other conversations, because I don't know when the purchase was completed, but several days we met, and we might have a few words, but it was merely a personal conversation, as two friends meeting; nothing official about it.

Q. Do you consider that the purchase of this property by the government was necessary to meet the public shipping requirements of Richibucto?—A. That is what I said, it would be necessary if the railroad was taken over, and a line of steamers run. That is what I considered.

Q. But without reference to the railway, do you say it was necessary?—A. It was necessary?

Q. To meet the public shipping requirements at Richibucto?—A. Well it might be; in my opinion it would be.

Q. For the use of the railway?

Mr. CARVELL.—What do you mean? Your question is too broad.

Mr. CROCKET.—I asked the question first if he considered the taking over of the Kent Northern by the government would require the purchase of the wharf. He said he thought it was necessary. What was his answer?

(The answer of the witness was read as follows: 'That is what I said'—it would be necessary if the railroad was taken over and a line of steamers run; that is what I considered.)

Q. You said it would be necessary if the railroad was taken over by the government?—A. Yes, sir.

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Q. Without reference to the taking over of the railway what do you say?—A. It might be necessary too.

Q. But your chief idea in connection with the taking over of the railway—the chief benefit would be in connection with the railway. Do I understand you correctly when I say that the chief benefit that would accrue from it would be that it would afford a terminal point for the railway?—A. That would be one reason.

Q. Now, Mr. Murray is one of the owners of the Kent Northern railway?—A. Yes.

Q. The gentleman who bought this property for seven hundred dollars and sold it to the government for five thousand dollars, he is himself one of the four owners of that railway?—A. No, one of five owners.

Q. George W. Robertson, who got a large amount of this purchase money, was another owner of that railway was he not?—A. George W. Robertson was another one.

Q. So that Mr. Murray, associated with George W. Robertson in the ownership of that railway, sold the property to the government, although you say the chief benefit to be derived by the public, by the purchase of that wharf, would be that it would afford a terminal point for the railway?—A. Yes, sir. That would be one of the

Q. Who are the other owners?—A. As I understand it, Robert Finney, George W. Robertson, John Jardine, William Carter and Murray.

Q. Do you know what these people paid for the Kent Northern railway?—A. I don't.

Q. Do you know they paid only \$55,000 for the railway?—A. I don't know anything about it.

Q. How long is the railway?—A. I could not swear to that. I have understood it is 27 miles.

Q. Do you know the rolling stock, the equipment of this railway, what equipment it has?—A. No.

Q. How many trains do they run a day?—A. One train.

Q. One train up to the junction and one back?—A. Yes, sir.

Q. Have they more than one passenger car?—A. No, I think they have only one passenger car.

Q. There are no freight trains run on that road?—A. The one train takes freight and passengers both.

Q. There is a baggage car and a freight and passenger car combined?—A. There is a passenger car, a first and second class passenger and they carry their baggage in a box car, which they generally take off.

Q. You know that that is the rolling stock of that railway?—A. I don't know.

Q. Do you know of any other?—A. There is another engine but there may be more, I don't know, but these are the cars they used any time I have travelled there, except there is more freight to carry, and they take more cars.

Q. Do you know if they have run a freight car for the past year?—A. That is the freight car I am telling you about.

Q. Outside of these you have told us about?—A. They carry a great many cars of freight besides that.

Q. Q. Do you know if they run freight trains in addition to the service you have mentioned?—A. You mean special freight trains.

Q. Yes?—A. No, I do not.

Q. Now, you are aware are you not, that the government in the same season, had purchased what is known as the municipal wharf?—A. Well, I did not know that—

Q. But you know it now?—A. Yes, I have understood it from the public print. I know they are up there.

Q. Do you know that Mr. Stead, the resident engineer of the department had a



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report about the municipal wharf, and a report on the purchase of the sawdust wharf?  
—A. I do not.

Q. But you know now that the government has bought the municipal wharf?—A. I know from seeing it in the public print. That is the only way I know.

Q. Have you read the evidence over in this case?—A. Yes, sir.

Q. You remember reading that, don't you?—A. No, I do not think I do just remember reading it, although it may be there.

Q. Well, here is a copy of a report which is already in evidence, signed by Mr. Geoffrey Stead, under date the 10th March, 1908:

SIR,—As requested in your letter No. 757 of the 13th of February, 1908, I have made an examination of the municipal wharf at Richibucto, and an estimate of its value and of the probable cost of the repairs it would require.

Richibucto, the shire town of Kent county and the terminus of the Kent Northern railway, has a population of about 1,100 and is situated on the Richibucto river about three miles from its mouth, in Northumberland straits. Richibucto is 40 miles by road south of Chatham, 20 north of Buctouche and 40 north of Shediac.

The municipality of Kent county built over 25 years ago a public wharf at Richibucto consisting of an approach 443½ feet long, 24 feet wide, a pierhead about 115 feet long, and 75 feet wide, and an extension to the pierhead 141¼ feet long and over 40 feet wide. The wharf is composed of cribwork with a floor of cedar poles covered with about one foot of ballast, and surfaced with gravel, &c. There is about 15 feet of water at L.W.O.S.T., under the outer face, deepening to eight fathoms in the channel, about 400 feet out from the wharf. The range of spring tides is 4 feet. For some years the wharf has been leased to the Kent Northern railway and used for the import of coal and shipping lumber, tanbark, fish, &c., by rail.

The lumber shipments at Richibucto have varied in late years from about 2,150,000 ft. b.m. to 11,000,000, which formerly went direct to England, &c. A large portion of this is now carried by rail to Ontario and also to St. John and Halifax, for shipment from there by steamer. Lumber and tan bark—about 400 to 500 cords of the latter yearly—are brought to the wharf by scows and piled there till cars are available.

The wharf has been repaired at various times, but it is beyond the means of the county council to keep it in proper repair, and it is therefore becoming unsafe for traffic, and especially for the engine of the Kent Northern railway. It is the only public wharf at Richibucto and is much used. It seems reasonable therefore for the department to take it over. In view of the very probable acquirement of the Kent Northern railway by the Intercolonial, which would then be obliged to own or lease the wharf, it would be a good investment for the government to secure it now on the present reasonable terms.

The wharf would also be used by the Department of Marine and Fisheries for storing their buoys, for which the government have no present accommodation.

Allowing for the complete rebuilding of about 315 feet of the approach and of the whole top of the pierhead down to the half tide level, about 130 feet of cribwork would still remain, which, at six cents per cubic yard, would be worth \$7,800, or over five times the price asked. In addition, the wharf property includes a lot connecting the wharf with the main street, and having a frontage of over 100 feet on the latter. Repairs necessary are as follows:—

Rebuilding 315 feet of the approach, 68,000 cubic feet, at 6 cents. . . . .	\$4,080 00
Rebuilding the pierhead from half tide level upwards, the top of the new work to be 4 feet above H.W.O.S.T., instead of from just to 3½ as at present, 80,000 cubic	

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feet of cribwork, at 6 cents. . . . .	4,800 00
Close piling the outer surface and two ends of the pierhead with 355 piles, at \$4. . . . .	1,420 00
Contingencies. . . . .	1,200 00
Total estimated cost. . . . .	<u>\$11,500 00</u>

The approach should be rebuilt at once, as it is already unsafe for use by the railway and teams. The repair of the pierhead is not immediately necessary, and therefore I would recommend that the former only be allowed for the present, the cost of which would be as follows:—

68,000 c f. cribwork to rebuild 315 feet of app., at 6 cents. . . . .	\$4,080 00
Contingenncies. . . . .	<u>420 00</u>

And that this work be performed by day's labour, which is the only satisfactory way to make repairs on such a work as this.

From the photographs which are inclosed, it will be seen how difficult it would be to make proper contract plans of the whole repairs required.

File No. 300-976 is returned herewith. This was inclosed with your letter, number 1508, of the 15th April, 1907, the reply to which was delayed until after the next meeting of the wharf committee, *i.e.*, early this year, when the price to be asked for the wharf was decided on.

Yours obediently,

(Signed) GEOFFREY STEAD,  
*Resident Engineer.*

E. D. LAFLEUR, Esq.,  
Chief Engineer,  
P. W. D., Ottawa.

Q. You have observed that statement in Mr. Stead's report of the 10th of March, that in view of the probable acquirement of the Kent Northern railway by the Inter-colonial it would be a good investment for the government to purchase the municipal wharf to meet that need?—A. Yes.

Q. Mr. Stead makes no reference in the report at all to the sawdust wharf. You have no doubt now, have you, that Mr. Stead had been there before the question came up about buying the sawdust wharf and had made a report advising the government to purchase the municipal wharf to meet the needs, not only that were existent then, but the needs that would arise if the government took over the Kent Northern railway?—A. What is your question?

Q. You have no doubt, having heard that report, that Mr. Stead, the resident engineer of the department, had made a report in which it was pointed out that the acquisition of that wharf, the municipal wharf, would meet the needs of Richibucto, not only the existent needs, but the needs which would arise from the taking over by the government of the Kent Northern railway?—A. What do you wish me to answer? In my opinion, Mr. Stead was there. I say right here, before these gentlemen. I could not remember a document like that, to answer all the points in it. If you want me to say I thought Mr. Stead was there, I did. I have no means of knowing he was there, except by that document.

Q. You see in that document that Mr. Stead emphasized the wisdom of taking over this municipal wharf, for which \$1,500 was paid, because of the probable acquisition by the government of the Kent Northern railway?—A. Yes, sir.

Q. You say it is the probable acquisition of the Kent Northern railway by the government that gave the chief value to the sawdust wharf?—A. I gave that as my opinion.

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Q. Although the government had already bought a wharf to meet that very requirement?—A. I do not think that wharf meets all the necessary requirements.

Q. You say you do not think it meets all the necessary requirements?—A. That is, the municipal wharf?

Q. Mr. Stead's report does not allege or intimate in any way that it will not, does it?—A. No, it does not, but I am not giving Mr. Stead's opinion, I am giving my own.

Q. Now, Mr. Loggie, that municipal wharf, you know, do you not, was under lease to the Kent Northern railway for fifty dollars a year?—A. I do not know any such thing, any more than I saw it in public print.

Q. You have read that in the evidence have you not?—A. Possibly I have.

Q. You say you are not aware of it?—A. I am not aware of it from any reliable information, except as I saw it in public print since this trial.

Q. Do you remember yourself and Mr. O'Leary making a proposition to the Kent Northern railway to give the railway the right to run across the sawdust wharf and the other water fronts right down to yours and Mr. O'Leary's warehouses, for one dollar a year?—A. I don't remember that. Mr. O'Leary, I see, says in the evidence such was the case. For my part, I do not contradict it; it may have happened, because Mr. O'Leary and I were anxious to get wharf accommodation to the freezers. It was not a matter of value; it was only a matter of trying to get them to go there, and giving them this right to go there for comparatively nothing.

Q. You do not contradict Mr. O'Leary's statement?—A. I do not.

Q. It was at a nominal rent of one dollar a year you proposed to the railway company to give them the right to run their railway track right down to your warehouses?—A. No, sir. I did not say such a thing, because Mr. O'Leary said that was

thing.

er their trains down to his and our freezers for one dollar. I say no, no such

So far as Mr. O'Leary was concerned, it was the sawdust wharf he owned, far as you were concerned, you had property on the water front?—A. Yes.

So far as your property was concerned—that is Mr. O'Leary's statement so I understand it.—A. Yes, sir; that is not mine.

Do you contradict the statement?—A. I do not contradict it, because I do not know whether it is true or not.

Are you aware that there was such a document in this committee?—A. I am not aware of it.

There is such a document.—A. That may be.

At any rate, you say you do not contradict it?—A. I do not contradict it, I do not know whether such a thing exists or not, from my own memory, but we were very anxious to get that railway down there.

What was your idea about making a terminal for the railway out of this field?—A. Was it that it would afford a site for the station?—A. Yes, sir, and a place for goods and take them from if this line of steamers went over.

You know the field in which the station of the Kent Northern is situated?—A. Yes, sir, I know where the Kent Northern station is situated, but I do not know the field about it.

It is all open space around the station?—A. It is not all open space. It is not all open.

But it is vacant ground all about.—A. Around the station?

Yes?—A. A certain amount is.

With fields fenced in? Do you know that the field in which the Kent Northern railway station is situated changed hands, a one hundred acre field, for one hundred and twenty dollars not long ago?—A. No, sir, I do not know anything about it, more than I saw since this case came up.

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Q. You are not in a position to contradict that statement, are you?—A. No, sir, I am not in a position to contradict that statement.

Q. When this matter was under investigation before, this question was put to Mr. O'Leary:

Q. Do you know, Mr. O'Leary, of a sale having been made of the field on which the station of the Kent Northern railway is situated?—A. Yes, I saw the deed a few days ago.

Q. How many acres are there in the field?—A. The field in the deed is supposed to contain 100 acres, the station being in the end nearest to the town, and it was sold to O. K. Black by Solomon Powell, for \$120, and that field is a block one way and half a block the other way from the sawdust and the municipal wharf.

Q. You say you are not in position to contradict that statement?—A. I do not say anything of the kind.

Q. Do you contradict that statement?—A. Of course I can say to you here that I am perfectly willing to answer any question, but I do not wish to answer a question that includes the whole book.

Q. Mr. Loggie, I have read to you the statement which Mr. O'Leary made, that he saw that deed and that this hundred acre field in which the station was situated was sold to O. K. Black by Solomon Powell for \$120. I asked you if you knew that fact and you told me you did not. I ask you now if you contradict the statement?

Mr. CARVELL.—As my learned friend wants me to talk—I did not intend to say anything here this morning, but as he is anxious, I do not see what earthly object it can be to this committee to know whether this man agrees with what Mr. O'Leary says or not. This man is not trying to say it is not true, and why take up the time of the committee in asking frivolous questions of this kind? Now that this witness is here, he realizes he has to take up some little time in order to make a pretense of having wanted him.

Mr. CROCKET.—You are profiting by the lesson your master is teaching up here. Instead of the clenched fist we have the smiles of the Honourable William. Mr. Loggie has come here to bolster up the value of this property.

Mr. CARVELL.—This witness has come in response to a subpoena, to respond to all proper questions.

Mr. CROCKET.—I will substitute the word, if you like.

Mr. CARVELL.—This man is brought here by Mr. Crocket to answer questions put to him.

Mr. CROCKET.—He was summoned in the first place on the motion of the Minister of Public Works, but he did not attend, and they sent up letters which went in evidence without having the sanction of an oath, and I wanted to put some questions to test the value of the statements he made in those letters.

Mr. CARVELL.—There can be no earthly value in asking this man if he contradicts or agrees with what Mr. O'Leary said.

Mr. CROCKET.—Mr. Loggie has stated that the chief value of this purchase to the government was that it would afford a site for a station and tracks. I am pointing out now that there is a one hundred acre field upon which this station is situated that was bought for \$120 within a few months. If my learned friend cannot see the relevancy of that, I think the members of the committee can. That 100 acres was bought for \$120, and now the pretension is that this was bought to provide a site for the terminal of the railway. It is situated a block one way, and a half a block the other. You can stand on the station platform and look down on the wharf, just as you can look down on Metcalfe street and see it.

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Q. On January 12, 1909, you wrote this letter to Mr. Geoffrey Stead, as appears in the evidence: (Reads):

RICHIBUCTO, N.B., January 12, 1909.

Mr. GEOFFREY STEAD,  
Chatham, N.B.

Yours of January 6 to hand and contents noted. In reference to the price paid by the government for the sawdust wharf at Richibucto, which we understand was \$5,000, we think that the government got this wharf at a bargain. We think a wharf of the size it is, and in a location so suitable, at the terminus of the railway, to be used as a site for a railway station, and for yard room, and for railway tracks and a shipping point for vessels to land and take cargo from the railway, that it is a good bargain, and that the government got real good value for the price paid for this wharf.

We think it was a very important thing for the government to secure this wharf at the price paid, as we know of no other wharf located so suitably for the uses of the railroad.

We would say if we had owned the wharf we certainly would not have sold it for \$5,000 as we would consider it good value at a much higher price than the government paid for it.

Yours respectfully,

(Sgd.) A. & R. LOGGIE.

Mr. CARVELL.—Is that the letter you refer to?

Mr. CROCKET.—Yes. You sent that letter to Geoffrey Stead the resident engineer of the Department of Public Works?—A. Yes, sir.

Q. And in that you refer to a letter that you received from Mr. Stead of the 6th of January?—A. Yes, sir.

Q. Now, see if this is Mr. Stead's letter. This has not been put in the case yet. It has been given to me since Mr. Stead returned to New Brunswick: (Handing letter to witness). That is the letter, or a copy of the letter to which your letter is a reply?—A. Yes.

Q. Now, in your letter Mr. Loggie, you refer to this as you have referred to it in your evidence as a valuable and suitable site for the railway station and railway tracks?—A. Yes, sir.

Q. You put it upon that ground?—A. That is one of the grounds. That was my opinion.

Q. And this letter puts it entirely almost upon that ground? That was the chief ground that you urged in that letter?—A. Mr. Stead came to me—

Q. I am asking you to answer that question first? There is your letter. Is it not the chief ground upon which you put it.

Mr. CARVELL.—It is not open to him, if we are going to go by the rules of evidence to put the question that way.

Mr. MACKENZIE.—This letter may work both ways. It is not open to him to put his own construction on that letter; it might work very bad if a man goes before a judge and puts his own construction on it. It is not open to him to put his own construction on it. We must construe it.

Mr. CROCKET.—Under the strictest rules of evidence that is a proper question to put in the hands of the witness a letter which he wrote and ask him what he meant by it. To say I cannot put such a question in the Public Accounts Committee is simply absurd. If Judge Mackenzie objects to that question I am going to ask him to do so.

Mr. MACKENZIE.—My learned friend can take any course he likes. It is quite capable for him to put the construction on it which suits him for the moment, but it is for us to put the construction on it, and not for the witness.

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Mr. CROCKET.—If Judge Mackenzie objects, I want him to do so; if not I want him to withdraw.

Mr. MACKENZIE.—I submit it to you (to the chairman) as the presiding genius in this court, to decide whether he has that right or not.

The CHAIRMAN.—You have no doubt quoted the general rule, in a case where a letter was ambiguous two constructions might be put upon it and it would be only proper for the writer of that letter to be permitted to say what he meant by it in case it was ambiguous and we put a wrong construction on it.

Mr. MACKENZIE.—I submit if there is any ambiguity in this letter it should be pointed out.

Mr. CROCKET.—I am asking this question, whether in that letter as in his testimony he refers to the chief value in the purchase by the government of that wharf as being the affording of a site for a railway station and tracks?

The CHAIRMAN.—I suppose the letter is an answer itself.

The WITNESS.—That was my opinion.

*By Mr. Crocket:*

Q. You say you have been living, Mr. Loggie, or carrying on business for twenty or twenty-five years in Richibucto?—A. Yes, sir.

Q. This property has been lying idle there for the last ten or fifteen years, has it not—vacant and idle has it not?—A. Oh, I do not know for how long.

Q. For how long, would you say?—A. Oh, it may be longer than that. I do not know; I could not say. I have no means of knowing.

Q. It has been vacant property, lying idle for many years?—A. Yes, there is no doubt about that.

Q. Richibucto is a small town, is it not?—A. Yes, sir.

Q. What is the population?—A. Well I do not know, but I would imagine it would not be more than a thousand.

Q. It would not be more than a thousand?—A. No.

Q. You knew of this property being there?—A. Yes, sir, I knew Mr. O'Leary had it. I knew somebody had it; I did not know which of the O'Leary's.

Q. Did you ever propose to anybody to buy this property?—A. I never did.

Q. Not until it came into the hands of the government?—A. No, that is right.

Q. And then you sent a cheque up here for \$5,500 to buy it from the government?—A. Yes.

Q. And you knew that Mr. O'Leary, the owner of that wharf, sold it for \$700?—A. Yes, sir, I do not mind that.

Q. You know that?—A. Yes.

Q. Have you read the evidence?—A. Yes, sir.

Q. You know that Mr. O'Leary said he would have sold it to the government for \$700 and he would have sold it to you for \$700?—A. I do not know that.

Q. You know he swore to that?—A. Yes, but I might not believe him.

Q. Did you ever ask him?—A. I never did.

Q. Do you say you do not believe him? Do you say you do not believe Richard O'Leary when he says that he would have sold it to you the same as he sold it to Murray for \$700?—A. Yes, I would say I do not believe him.

Q. You are a competitor of Mr. O'Leary's in business?—A. Yes, we do business in Richibucto.

Q. That is the fact, however, that that property was lying vacant and idle for all these years, and you had been carrying on business there between twenty and twenty-five years, and you never approached the owner of that wharf with a view to buying it; you never made any proposition to anybody until it came into the hands of the government, and then you sent a cheque for \$5,500 for it?—A. Yes, sir, that is right.



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Q. Is that a fair picture of the wharf (handing photograph to witness)?—A. I do not know. It may be. This is the sawdust wharf?

Q. Can you not make it out?—A. It is very dull looking.

Q. You cannot see any wharf at all there?—A. Oh, yes, this is the edge of the wharf I suppose.

Q. Do you recognize that as the so-called sawdust wharf from that point (indicating)?—A. Yes, sir, I would say that that was the sawdust wharf.

Q. And that is the property that you offered to buy for \$5,500?—A. Yes, sir.

Q. Two or three months after it had been sold for \$700?—A. Yes.

Q. The face of the wharf is wholly washed away, is it not?—A. You are asking me that?

Q. Yes?—A. I do not think so. I do not think the face of the wharf is wholly washed away.

Q. Does the photograph show the face of the wharf?—A. I think so. I think it shows part of it there.

Q. Where is the face of the wharf on the photograph?—A. That is a very confusing thing.

Q. Point out the face of the wharf?—A. That is what I would say is the face of the wharf (indicating on photograph.)

Q. That is the point of the wharf nearest the channel?—A. You have not got the face here even.

Q. There is no face on it. You know there is no face on that wharf?—A. I do not know any such thing, because I think there is a face on it.

Q. You think there is a face on it?—A. I think there is a face on it. It may be partially washed away. The last time I saw there was a face on it.

Q. Mr. Loggie, when Mr. Stead was on the stand here in the month of December, upon this point, it was stated in this report that the outer faces of the wharf had been washed away down to the water level?—A. Well, that is—

Q. Do you contradict the statement of the resident engineer of the department, that the outer faces of the wharf had been washed away down to the low water level?

Mr. CARVELL.—That is not a fair question. Let the witness tell what he thinks, and we can draw our conclusions.

Mr. CROCKET.—I am asking him if he contradicts the statement of the resident engineer of the department that the outer faces had been washed away down to the low water level.

The WITNESS.—My idea is that the front there, a part of it is washed away down to the water level. As to what Mr. Stead says, I am not giving his opinion. I am giving my own opinion.

*By Mr. Crocket:*

Q. Have you examined this wharf lately?—A. Not for some time

Q. When did you examine it last?—A. It may be three or four years since I was on it.

Q. You did not examine it then in connection with your offer to the government?—A. Do you mean to go and inspect it?

Q. Yes?—A. I did not.

Q. You say you have not been on it for two or three years?—A. Yes, it may be two or three years.

Q. Is that wharf, in its present condition, fit for shipping purposes or any other purpose?—A. It is fit for some other purposes.

Q. Is it fit first, for shipping purposes?—A. No, I would say the front would have to be improved and built up and made so that shipping could be taken from there. I would say it was not as it is now.

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Q. Has anything been done with it since the government acquired it to repair it?—A. Not that I know of.

Q. What purpose do you propose to put the wharf to?—A. What purpose I propose to put the wharf to? If you will allow me to answer—I only gave my opinion on this wharf to both Mr. Murray and Mr. Stead, the opinion of one man given to another. The opinion I gave to Mr. Murray was in reference to that wharf and the railway property. Our offer for that wharf was for our own uses. We can use it in our business, which is our own business. We can use that wharf, and we say it is worth \$5,500 to us and to back that opinion we put up a cheque for \$5,500 regardless of who it pleases, or who it does not please; and we have to-day lying in Richibucto 5,300 pieces of lumber to build the wharf to deep water. We have no deep water wharf. We can utilize the wharf and utilize this lumber to get to deep water, and have one of the finest wharfs for Richibucto, and improve it.

Q. I assume from that statement you are going to repair the wharf and carry it to the channel?—A. It is out to the channel now.

Q. It has been washed away, as has been stated here. If you buy that wharf, do you propose to repair it?—A. Yes, sir.

Q. What will the repairing of the wharf cost you? Are you able to tell?—A. No, sir, I am not able to tell.

Q. You heard the report I read from Mr. Stead this morning with reference to the municipal wharf?—A. Yes, sir.

Q. Mr. Stead, in answer to the quotations I read, Mr. Stead says, dealing with the question of repairs, this:—

Allowing for the complete rebuilding of about 315 feet of the approach and of the whole top of the pierhead, down to the half-tide level, about 130,000 feet of cribwork would still remain, at 6 cents per cubic foot, would be worth \$7,800, or over five times the price asked. In addition, the wharf property includes a lot connecting the wharf with the main street, and having a frontage of over 100 feet on the latter. . . . . \$7,800 00

Close piling the outer face and two ends of the pierhead	
with 355 piles, at \$4.. . . .	1,420 00
Contingencies.. . . .	1,200 00

Would make a total of.. . . . \$11,500 00

To repair the municipal wharf with a pierhead 121 feet. That is what Mr. Stead estimated the repairs of the municipal wharf would cost?—A. I am not going to contradict him.

Q. The sawdust wharf has a frontage of how much?—A. As I understand, by the deed which Richard O'Leary gave Thomas Murray, I think it is 730 feet.

Q. You are a business man. Having taken the estimate of the resident engineer on the municipal wharf, which was faced right up and out to the deep water in use at the time that the repairs to the wharf were made, would amount to \$11,500, what do you estimate this whole sawdust wharf will cost you before you make it into a wharf?—A. I never estimated that, but we should repair it in a very different way from what Mr. Stead does. It is a different wharf, a wharf with mill refuse, a different wharf altogether and we would repair it in a different way for ourselves from what Mr. Stead would do, no doubt, as a government engineer.

Q. Have you any opinion at all how much that is going to cost you to take that property over and convert it into use?—A. No, sir; I have not estimated it at all.

Q. You have not considered that aspect of the case at all?—A. No, sir, I have not considered that aspect of the case at all.

Q. You are the owner of other wharf properties at Richibucto?—A. Yes, sir.

Q. Do you know the old Wark property that Mr. Forbes bought recently?—A. Yes, sir.

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Q. That is a completed wharf, built out to high water—a completed wharf, built up with a face on it and fit for use?—A. I know it was in very bad condition, and I saw Mr. Forbes driving piles around in front of it and fixing it up, so it could not be completed.

Q. It has been in use up to the present time?—A. I know it was in very bad repair. I don't know whether it was in use when he bought it or not.

Q. Within the past two or three years do you know that that wharf was in use?—A. I do not know of the wharf being in use to my knowledge before Mr. Forbes bought it.

*By Mr. Reid:*

Q. Have you been in Richibucto within the past two years?—A. Yes, sir.

Q. How long ago?—A. I think about a week.

*By Mr. Crocket:*

Q. Do you know that Mr. Forbes bought that wharf for \$800?—A. I do not know.

Q. You know that the statement was sworn to in the committee here?—A. I do not remember that particular piece of property. I am not prepared to contradict that Mr. Forbes bought it, and if it is on the public records \$800, that is what it is.

Q. Did you make any inquiries about it?—A. No, sir. I had nothing to do with Mr. Forbes' wharf.

Q. Did you make any inquiry of anybody with a view to buying this wharf until this matter came before this committee?—A. How is that?

Q. Did you make any inquiry of anybody with a view to buying the wharf until the matter came before this committee?—A. I don't think I did. I did not make any inquiry of anybody as to buying the wharf because that is our own business.

Q. Where is the Forbes wharf situated? It adjoins the municipal wharf, does it not?—A. No, there is a passage goes down between the municipal wharf and the Forbes wharf.

Q. Is it on the southerly side of the municipal wharf?—A. Yes, on the southerly side, further up the river.

Q. And this sawdust wharf is on the northerly side?—A. The sawdust wharf is on the northerly side.

Q. You have a wharf now of your own at Richibucto?—A. Yes, sir.

Q. What frontage?—A. 100 feet.

Q. That is a frontage on the deep water?—A. A front on the deep water?

Q. It could be carried out to deep water?—A. Yes, sir.

Q. How much did you pay for that wharf?—A. We built that wharf, the greater part of it.

Q. How much did you pay for the land and the buildings, on that wharf?—A. A portion of that wharf, a very small portion of it, we bought the Samuels property, I think we paid \$400 for it, which was very very cheap for the building, as the wharf would possibly be from the street, right up to the street, it would be possibly—it is fifty feet wide, and it may go out ninety feet, perhaps eighty feet on the street, right on the shore; that is the first part of our wharf.

Q. The land from which you built this wharf, and upon which you built the wharf you bought for \$400?—A. No, sir, we did not buy the land for \$400. That portion of it we did.

Q. What do you mean by 'that portion?'—A. That is the only part of the land upon which the wharf is built, what we bought of the Samuels property.

Q. How much of this land is the wharf built on?—A. That is 50 feet wide, and we bought another lot alongside of it for one hundred and fifty, and we bought the two lots.



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Q. You bought the land on which the present wharf is built for \$550. Is that right?—A. I would not say it is right. It is the frontage, and then we built out.

Q. There is one lot, you say, 100 feet that you bought.—A. I said it was 50 feet; the whole was 100 feet; the two lots together are 100 feet; each lot is 50 feet wide.

Q. That is on the water front?—A. That is on the water front.

Q. And these two lots cost you what?—A. \$550.

Q. And you built a wharf on them?—A. Yes, sir.

Q. When did you build that wharf?—A. We built that wharf at different times; different pieces of the wharf.

Q. That was to meet the requirements of your business?—A. Some of the requirements.

Q. And did the wharf meet the requirements of your business?—A. It did not.

Q. Have you had any other wharf accommodation since then than which you got from this land?—A. We have had Mr. O'Leary's wharf, because we are not in deep water. This wharf of ours goes out to where there is possibly six feet of water at low water; we paid him wharfage for it.

Q. But you never sought for any other wharf until the present day. Having built that wharf to meet as far as possible the requirements of your business, and built a wharf for that purpose, you have not sought out any other wharf until the present time?—A. No, because we proposed building our wharf out into the channel.

Q. You have not approached anybody in Richibucto with a view to buying a wharf or extending your wharf accommodation until the present time?—A. I do not know of anybody in Richibucto that has anything to do with building our wharf; it would be ourselves.

Q. Have you approached anybody in Richibucto with a view to buying a site for the increasing of your wharf accommodation at Richibucto?—A. No, sir, because we have a site of our own that we could use outside of that wharf, to the deep water.

Q. And you have that still?—A. Yes, sir, if we want to go to the expense of building a wharf.

Q. And you say the sawdust wharf, for which you say you are willing to pay \$5,500 in its present condition, is not fit for shipping purposes?—A. It would want to be improved.

Q. And you have not given any thought at all to the cost of those improvements?—A. No, because we have material to extend our wharf that we would use on that wharf, but we would not require to extend our wharf.

*By Mr. Reid:*

Q. The material is worth money?—A. Yes, sir.

*By Mr. Crocket:*

Q. Now, coming back to this letter. Before you wrote that letter of January 12, 1909, had you had any personal interview or conversation with Geoffrey Stead?—A. Yes, sir.

Q. Before you received his letter of the 6th of January?—A. Yes, sir, I think so; that is right.

Q. Where was that letter written from?—A. It would be either from Dalhousie or Richibucto.

Q. It is dated Richibucto?—A. That may be where it was written from. I would not be positive about that, but I think certainly it was written from Richibucto.

Q. Do you know that Mr. Stead swore that he was in Dalhousie on the 5th of January and that he left Dalhousie on the 6th of January, the very day that letter is dated?—A. Mr. Stead did not see me the day that letter is dated, sure. Mr. Stead

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came to my place, I think it was in December, and asked me to give him that letter; and apparently he had written a letter afterwards, asking me to send it, which you have there.

Q. You say he came to your place first in December?—A. I think it was in December; it was some time before I wrote that letter.

Q. What time in December?—A. I do not know. I think it would be towards the latter part of December.

Q. When you say your place, do you mean Dalhousie?—A. Yes, sir, I have a house there.

Q. You say you have read this evidence over?—A. Yes, but not very carefully.

Q. Did you read where Mr. Stead swore he had been in Dalhousie on the 5th of January and that he left Dalhousie on the 6th of January?—A. I do not know. I have no means of knowing. I do not think Mr. Stead was to see me; I am positive he was not, either the 5th or 6th of January.

Q. Do you say positively he did not?—A. That is my opinion, not on that date.

Q. Not even on the 5th or 6th?—A. I think it was before that that Mr. Stead was there.

Q. This evidence was given by Mr. Stead in the previous examination:

Q. Was it not because of what took place between you and the government in St. John that you wrote to the Loggies on the 6th of January?—A. I think Mr. Loggie promised me a letter some time before that. I had been talking it over with him.

Q. You have told us it was the day before?—A. No, it was some time before that I had seen him, because I wrote to him in the autumn about it, on my own hook.

Q. Where is the letter?—A. I just wrote him a personal letter. I do not think I kept a copy of it. That is right.

Q. There is no doubt, Mr. Loggie, that Mr. Stead stated he was in Dalhousie on the 5th? His memorandum showed that and his travelling account showed it?

—A. As far as that is concerned, that I do not know. He may have been or may not have been. I do not know anything about it. I think Mr. Stead came to see me before that date.

Q. At page 77.

Q. On the 6th of January you were in Dalhousie were you not, this year, the day that letter is dated, were you not in Dalhousie to see A. Loggie? That refers to 1909, or were you referring to 1909 or 1910?—A. I was referring to the day I wrote that letter.

A. About that, I think I did, but not on the same date as I wrote the letter.

Q. Did you bring the diary you spoke of?—A. Yes.

Q. Just look at it and see.—A. On the 6th of January I left Dalhousie at seven o'clock in the morning. I was there on the 5th of January.

Q. You were there in Dalhousie on the 5th of January, the day before this letter of yours, addressed to A. Loggie, is dated?—A. Yes, I wrote him after I got back to the office.

Q. So you see Mr. Stead was there on the 6th of January and saw A. Loggie. That is yourself, Andrew Loggie?—A. Yes, sir.

Q. Do you say he did not?—A. I think it was before the 5th of January. I do not think he saw me then. I only wrote him once.

Q. Will you say he did not see you?—A. I will not say it. He may have, but I think that is wrong. I think it was before the 5th of January that Mr. Stead came and asked me to give him that letter.

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Mr. CARVELL.—What is the difference any way? He certainly saw Mr. Loggie sometime.

The WITNESS.—He certainly did, and I gave him a letter too.

*By Mr. Crocket:*

Q. And he knew he was going to get that letter did he not?—A. When.

Q. After he had seen you?—A. Yes, sir.

Q. You knew the lines upon which you were to write that letter?—A. I knew the lines?

Q. And he knew the lines upon which you were to write that letter?—A. I do not think he did know how I would write the letter.

Q. How did he approach you about this matter?—A. Mr. Stead came to my place one evening; I was not well. I was in the house. He spoke about the sawdust wharf. He said: 'There have been some people down here finding fault, or criticising me about the value of the sawdust wharf.' He said: 'Would you give me a letter giving your opinion of what it was worth?' I said: 'Yes.' Then I do not think there was very much more said. That is what he asked me.

Q. Is that your composition and phraseology in that letter?—A. Yes, sir.

Q. You wrote that letter yourself personally?—A. Yes, sir, I wrote that letter myself; there is no doubt about that. That is my letter.

Q. You wrote that letter?—A. Yes, sir.

Q. Do you usually write out letters. Do you use a typewriter in your office?—A. We have no typewriter in our office.

Q. Either at Dalhousie or Richibucto?—A. No, sir, in neither place.

Q. Now, this letter is dated 12th of January, that is your letter?—A. Yes.

Q. You are not able to say, except from the date in the letter, whether you were in Richibucto or Dalhousie?—A. No, I think if the letter is dated from Richibucto I would likely be in Richibucto.

*By Mr. Reid:*

Q. Do you keep any blank forms with the Richibucto heading on, at Dalhousie?—A. Yes, sir, we have sometimes. I know there are letter heads with both places on them.

*By Mr. Crocket:*

Q. You have told us you had no knowledge of this report that has been read, that Mr. Stead had made to the department on this question?—A. Which report?

Q. The report on which the purchase of the sawdust wharf was based. Had you seen that report up to the 12th of January, 1909?—A. I do not think so.

Q. Did Mr. Stead have a copy of his report with him?—A. At that time?

Q. Yes?—A. I do not think it.

Q. Will you say he did not?—A. I do not think so.

Q. You learned from him the price he had recommended?—A. I would not say that, but I learned from somebody.

Q. You knew the price?—A. Yes, sir.

Q. His letter of the 6th states the price?—A. Yes, sir.

Q. Did he make any mention of the use to which it was to be put, for the railway purposes? Did he refer to that?—A. When?

Q. In his conversation with you?—A. I would not say that he did.

Q. Will you say that he did not?—A. No, I will not say he did not, because I do not remember all the particulars—

Q. Did he tell you he had seen the minister?—A. He did not tell me anything of the kind.



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Q. You are certain of that?—A. I am positive of that.

Q. He did not mention the minister's name?—A. I do not think so.

Q. You say you are positive he did not mention the minister's name?—A. Yes, sir, that is my remembrance.

Q. Did he write you a personal letter before this letter of the 6th January, 1909?—A. Well, he may have; I am not positive about that; I have no letter, because I looked and I could not find any. I see there was some reference made to some personal letter.

Q. You have no personal letter?—A. No.

Q. You are aware Mr. Stead swore he wrote you a personal letter?—A. Yes, I may have.

Q. You say you do not think he did?—A. Well, I do not know, I do not remember him doing it, but he may have written me personally.

Q. You cannot find any personal letter?—A. No, I have not any personal letter.

Q. This letter of the 6th of January is written as it seems, introducing it for the first time. He does not refer in the letter of the 6th of January to any conversation with you. You have the letter there—or to having written you previously?—A. He does not.

Q. Now, coming to this offer of yours, the \$5,000 cheque. This letter is as follows:—

LOGGIEVILLE, N.B., Canada, January 18, 1910

E. D. LAFLEUR, Esq.,

Chief Engineer Dept. Public Works,

Ottawa.

DEAR SIR,—With the hope that the Public Works Department will be willing to resell and dispose of the wharf property in Richibucto, N.B., sometimes 'The Sawdust Wharf' and being desirous of purchasing the same for use in prosecution of our business, we hereby offer to purchase the said wharf property as described in deed from R. O'Leary and wife to T. O. Murray, dated on or about May, 1908, and to pay for the same the sum of \$5,500, cash for which amount herewith enclose our certified cheque on the Bank of Montreal, payable to the order of the honourable the Minister of Public Works. This offer to remain open for thirty days, and that the notice of acceptance or refusal be forwarded within that time.

In case of acceptance, that a deed be executed and delivered to Andrew Loggie, Robert Loggie, and Francis P. Loggie, all of Loggieville, in the Northumberland and province of New Brunswick, merchants, immediately on the expiration of that period. In the case of refusal of this offer, that a notice be given immediately on the expiration of that period and the certificate inclosed herewith, be returned to the undersigned.

Yours sincerely,

(Sgd.) A. & R. LOGGIE

It is accompanied by a cheque, as follows:—

ANDREW LOGGIE,

ROBERT LOGGIE,

FRANCIS P. LOGGIE.

LOGGIEVILLE, N.B., January 18, 1910.

No. 20146.

Bank of Montreal, Chatham, N.B., January 18, 1910 accepted. Pay to the order of W. Pugsley, Minister of Public Works or order five thousand five hundred (\$5,500.)

A. & R. LOGGIE

## APPENDIX No. 2

Q. Did you write that letter?—A. I did not.

Q. You did not write that letter?—A. I did not.

Q. Do you know who did write the letter?—A. I do not know who wrote the letter. It is typewritten I think.

Q. You said you had no typewriter at Loggieville?—A. I did not say anything of the kind. I never said such a thing.

Q. Did not you tell me you had no typewriter at Loggieville?—A. I did not. You are making that up. I said to you we had no typewriter at Richibucto or Dalhousie. I did not mention Loggieville.

Q. Have you a typewriter at Loggieville?—A. Yes, sir.

Q. You do not know who wrote the letter?—A. I do not know who did the typewriting part of it. If you will give me the letter I will tell you who signed it.

(Counsel hands letter to witness.) This is signed by Francis P. Loggie.

Q. Is it signed 'A. & R. Loggie'?—A. Yes, by Francis P. Loggie; who did the typewriting I do not know.

Q. Did he communicate with you about this?—A. Yes, sir.

Q. Where is his letter to you? Did he communicate personally or by letter?—A. I think he may have written me by letter, or telephoned, or I think both.

Q. Have you brought the letter?—A. No, I have not the letter.

Q. You were summoned to bring all papers?—A. But I have not any letters.

Q. Did you not say he wrote you?—A. Yes, sir, that is a private matter entirely, between two parties.

Q. Have you got that letter?—A. I have not got it.

Q. Where is it?—A. I think may be it is in the fire, because when I gather up a lot of letters from my brother, I put them in the fire, because it is our business; it is not by elses.

Q. You say that letter was put in the fire?—A. It may be; I have not got it.

Q. It cannot be produced?—A. If I have not got it it cannot be produced.

Q. This letter, although you did not write it, was written by your brother, after communicating with you?—A. I think so.

Q. Now you communicated with your brother first, did you not?—A. Well I am not sure of that.

Q. You are not sure of that?—A. No, I am not sure of that.

Q. Do you remember who broached this thing first, you or your brother?—A. I do not know which thing do you mean?

Q. Broached the purchase of this property and the sending of this cheque?—A.

Q. I do not know which of us broached it first. Possibly it may have been him or it may have been me.

Q. Now Mr. Loggie, think, was it not you?—A. Well, I am not sure of that; it may have been.

Q. You were summoned here to give evidence?—A. Yes, sir.

Q. And it was not until after you were summoned to give evidence that this cheque and letter were sent up, was it?—A. Well you can tell that better by the date.

Q. Well, do you know?—A. Which?

Q. Whether this letter and cheque were written and made out before or after you were summoned here to give evidence on this question?—A. I think it was after.

Q. As a matter of fact you know you were summoned to give evidence on this, and you got a communication I think, from the Secretary, Mr. Howe, of the Public Accounts Committee.—A. A summons.

Q. Did you get any word from the Minister of Public Works?—A. No, sir.

Q. No telegram or letter about your giving evidence?—A. No, sir, I do not think I got any.

Q. Will you swear you did not?—A. I do not think I did.

Q. Will you swear that you did not?—A. As I remember it now, I do not think I got any letter from the Minister of Public Works to give evidence here.

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Q. In relation to this matter, after the investigation began?—A. I do not remember of any. I do not think I did.

Q. Will you swear that you did not?

Mr. CARVELL.—The man is on his oath.

*By Mr. Crocket:*

Q. Will you say positively you did not?—A. I will not say positively I did, or say positively I did, because I am not sure, but I do not think I did.

Q. Now, you sent a telegram to the Minister of Public Works did you not, or did you?—A. When?

Q. After being summoned?—A. Yes.

*By Mr. Crocket:*

Q. Is that letter in evidence Mr. Carvell?

Mr. CARVELL.—It is produced, yes; I do not know whether it is in evidence or not. I have not got it; it was laid on the table.

Mr. CROCKET.—This is the telegram (Reads):

JANUARY 18, 1910.

Honourable WILLIAM PUGSLEY,  
Ottawa.

Regret I am unable to be in Ottawa 19th, being confined to the house for some time with bronchitis and asthma. Returning summons with doctor's certificate. Will wire you fully to-day.

A. Yes, sir.

Q. And you wont say whether you did or did not receive any communication from Mr. Pugsley after receiving the summons?—A. I do not think I did.

Q. 'Will wire you fully to-day.' Did you wire him fully that day?—A. I did not wire him any more; that was all the telegram I sent him, and that was purely in reference to my health and nothing else.

Q. Did you wire him that day?—A. No, I did not.

Q. Did you write him?—A. I did not.

Q. And all that was sent was this (referring to cheque). Is that what you refer to when you said: 'Will wire you fully to-day.' Is that what you had in your mind?—A. It was not.

Q. What did you mean when you said: 'Will wire you fully to-day'? What did you have in your mind?—A. It was my sickness, my health; it refers to absolutely nothing else.

Q. But on the same day January 18, this letter comes to E. D. Lafleur, the very day you sent that telegram?—A. Yes, sir, very likely. That telegram is sent from Dalhousie, where I was, in my own private house. That letter is sent from Loggieville, over a hundred miles away.

Q. You and your brother had been in communication before this?—A. Yes, sir, I think that is right.

Q. And after the receipt of the summons?—A. Yes, sir.

Q. Was not this thing (referring to cheque) sent up here to help the Minister of Public Works out?—A. It was not; that is not true. It is not true, before these gentlemen.

Q. And you say it had no reference to this inquiry?—A. No.

Q. Whether this inquiry had been instituted or not, you had that in your mind, the purchase of this wharf? Did you have the purchase of the sawdust wharf in your mind before this inquiry began?—A. Which inquiry do you mean?

Q. This one, this investigation?—A. Yes, I said to Tom Murray on one occasion that that wharf would be worth that to us, that is if we used this wharf and did not build a road, that offer of ours is for that wharf, for ourselves, for our business.



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Q. You say you had it in mind before this investigation was begun in December last? You had the purchase of this wharf in mind, did you?—A. I would not say we had the purchase of it, the actual purchase, to say: 'We are going to go and offer \$5,000 for it.' Possibly we had not.

Q. When did this thing first come to your mind? In the first place, did you conceive this scheme in your mind without suggestion or intimation from anybody?—A. I do not call it a scheme. I call it a legitimate business transaction.

Q. That is, a project of this kind?—A. Yes, sir.

Q. You had no communication or intimation from anybody in the Public Works Department, that the Public Works Department would be willing to sell the property?—A. No, sir, positively from nobody.

Q. Never any intimation at all?—A. Positively from nobody.

Q. Nothing to indicate to you that they would be willing to part with the property?—A. No, sir.

Q. Did you think they would be willing to part with the property?—A. I did not know, but we were willing to take it and pay them for it in our own private business.

Q. And without any intimation or communication from anybody in the department?—A. Yes, sir.

Q. Without any suggestion from anybody, Mr. Stead, or anybody else?—A. Mr. Stead or anybody else.

Q. Your brother sat down and wrote that letter enclosing a certified cheque for \$5,500 in these terms?—A. Yes, sir.

Q. Is that the way you usually negotiate your business transactions?—A. How do you mean?

Q. Sending certified cheques before you find out or have any communication with the person with whom you are dealing, as to whether he is willing to sell?—A. We may do. It was only an offer. In our opinion it was worth that to us. We made the offer and sent the certified cheque.

*By Mr. Reid:*

Q. Did you expect it would be accepted?—A. We did not know. We did not know whether it would be accepted or not.

*By Mr. Crocket:*

Q. What became of this offer? The thirty days are up?—A. It has been refused by the minister.

Q. It has been refused?—A. You would know that as well as I do.

Q. Why would I know it?—A. It was refused in the House of Parliament, I think.

Q. Have you received any answer to that proposition?—A. Yes, sir, I think there is a letter from the Minister of Public Works saying he would not accept it.

Q. When is the letter dated?—A. I do not know. I can only speak from memory.

Q. Has it come into your hands, the letter?—A. No, sir. They sent me that letter to Dalhousie, and I remember I read it and sent it back to Loggieville.

Q. That is the letter dated the 21st February, 1910? I suppose I might just as well put it in?

Mr. CARVELL.—It may as well all go in.

Mr. CROCKET (Reads):

February 21, 1910.

GENTLEMEN,—I beg to acknowledge receipt of your favour of the 17th instant in which you accept offer of the department to sell its wharf property at Richibucto, known as the sawdust wharf, less a 200 feet strip, running from street to channel, along the municipal wharf property, which is retained for public purposes.

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With reference to the conditions attaching to your acceptance, I may say that the department would be prepared to allow your firm to lay one railway track across the proposed extension to the Municipal wharf property, to connect it with the existing railway tracks on the government wharf on the understanding, however, that such railway track, so far as it is on government property, would be available for use by other shippers at Richibucto in common with ourselves, and further, that before such railway track be laid, a plan showing proposed location of same shall be filed with the Honourable the Minister of Public Works, and his approval of the location obtained before any track laying is proceeded with.

The department will not undertake to have a survey made of the portion of the property which is being disposed of to you, and the boundaries thereof indicated by sufficient marks in accordance with the measurement contained in the deed of this property to the Crown. With respect to the transfer of the property being made to you by warranty deed, I beg to say it is not the custom of the government to give warranty deeds, and I have not the slightest doubt that when your solicitor searches the records he will be quite satisfied with the title held by the Crown

Yours truly,

*Deputy Minister.*

Messrs. A. & R. LOGGIE,  
Loggieville, N.B.

Q. Did you write that letter of the 25th January, 1910?—A. No, sir.

Q. That is from Loggieville?—A. Yes, sir.

Q. Is that your brother Francis?—A. Yes, sir.

Q. Then there is a letter of February 17th, written by your brother Francis?—

A. That is signed by him.

Q. This letter reads as follows (Reads):

LOGGIEVILLE, N.B.,  
CANADA, February 17, 1910.

J. D. HUNTER, Esq.,  
Deputy Minister of Public Works,  
Ottawa.

DEAR SIR,—In further reference to your letter dated January 25, 1910, while our \$5,500 offer of January 18, 1910 was for the whole of the so-called Richibucto sawdust wharf, having a river frontage of 737 feet as described in deed from Richard O'Leary and wife to T. O. Murray, on or about May, 1908, we very much prefer to have the entire property for the purpose we have in view in connection with this property.

But if the department insists, in the interest of the public, in retaining a portion of this property, viz: 200 feet in width running from the street to the channel along the southwesterly side of said property, bordering or running parallel along the northwesterly side of the municipal wharf property, we are willing to accept the department's offer and pay \$3,500 for the entire balance of this property as described in the above mentioned deed, on these conditions, that we would have the free right of way to lay one or more railway tracks, run tracks and cars across the municipal wharf property, also across the 200 feet of the above property that the department retains, also a survey of the above mentioned property to be made by the department, and line posts to be put in where possible, showing street frontage, also channel water frontage, also southerly and northerly side lines as described in the above mentioned deed of R. O'Leary and wife to T. O. Murray. Such survey to be completed before transfer of property

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is made, and before amount is paid. The transfer of this property to us to be made by a warranty deed subject to prompt wire.

Yours sincerely,

A. & R. LOGGIE.

Q. Now, you told us a few minutes ago that the offer had not been accepted?—

A. What offer?

Q. The \$5,500 offer was not accepted?—A. Yes, sir; that is the way I understand it.

Q. Were you aware of this other proposition?—A. Yes, sir.

Q. And the acceptance of it?—A. No, sir; I am not aware of the acceptance of it, because that must have been since I left. I did not see the letter; I do not know when it was written. I did not see that letter.

Q. Did you see your brother's letter—the letter I read from that file?—A. Yes, sir.

Q. Did he confer with you about it?—A. While I was there?

Q. Was it your intention that the government's proposition of \$3,500 for the purchase of the wharf should be accepted?—A. That is by us?

Q. And you consider that that is to be done?—A. I do not know whether they will do it or not.

Q. On those conditions?—A. If they accept it on the conditions we have stipulated, we will take the wharf.

Q. Now, if you accept that proposition, the scheme of providing a site for the railway falls completely through, does it not?—A. I do not think so, because they have the municipal wharf and have reserved 200 feet.

Q. Do you say the scheme which Mr. Stead had in view, and upon which he bases his valuation, and on which he bases this letter, that it would provide a site for a railway station and tracks and terminal, does not fall completely through?—A. Certainly it would. We are buying that property and making that offer for A. & R. Loggie.

Q. Then, this is subversive of the public interest, which you said the purchase of this property was necessary to promote?—A. We are buying that property for A. & R. Loggie, regardless of the public interest or anybody else but A. & R. Loggie.

Q. But in your previous letter, and in your evidence given this morning, you justify the purchase of this whole property because it would afford a site for a station and for tracks and for terminal facilities for the railway?—A. Yes, sir.

Q. And now the purchase of this property defeats the object?—A. I do not understand that question.

Q. Is not the original object defeated by selling this portion of the property to you?—A. I do not think so, because they have reserved 200 feet of it.

Q. Do you say that 200 feet of that Municipal wharf will provide a site for a station and a site for the track that was in contemplation by yourself when you wrote the letter justifying the purchase?—A. I do not think it would.

Q. Therefore, if this goes through, the original scheme which was put forward as a reason for that proposition cannot be carried out?—A. I do not know that, because they may build the station 200 feet further.

*By the Chairman:*

Q. Would there be land enough reserved by this 200 feet of the municipal wharf to supply a station site and all the requirements the government would have?—A. I do not know what requirements they would have. I do not know how wide the municipal wharf is.

Q. 121½ feet?—A. That would be in all, Mr. Chairman, 320 feet.

*By Mr. Crocket:*

Q. Did you see Geogrey Stead between the time he gave his evidence here before the Christmas recess and the time your brother wrote this letter?—A. Yes; I think



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Mr. Geoffrey Stead, when I was coming up to Richibucto, came on the train some place along the line and got off at Newcastle.

Q. You talked this whole thing over with him?—A. I did not.

Q. You mean to tell me that you and Geoffrey Stead did not discuss just the condition of things before this committee?—A. I certainly did not.

Q. Do you swear absolutely you did not?—A. I swear absolutely I did not.

Q. Did you discuss the question of the Richibucto wharf at all?—A. I do not think I did.

Q. You say you did not think you did?—A. Yes.

Q. Do you swear he did not?—A. I swear he did not.

Q. You knew he had been up here giving evidence. You knew he had written to you and stated that this matter was being subjected to criticism in Kent county?—A. Yes, sir; that is a year ago.

Q. You knew his reputation was involved to a degree in this question?—A. I did not know that. I know that his reputation is involved now.

Q. You know his valuation was being criticised?—A. Yes, sir.

Q. You knew he was interested in it, and had gone to you to support an opinion of his valuation?—A. Yes, sir.

Q. You knew he had been up here giving evidence for days?—A. Yes, sir.

Q. You and he were together on the train and you never mentioned the Richibucto Wharf at all, is that right?—A. He may have mentioned the Richibucto Wharf. You ask me if he discussed it fully. We spoke about the evidence that was given, and he had one of the books, the printed pamphlets and he spoke about it for twenty minutes, but so far as discussing that particular matter, he did not.

Q. You are a large contractor of the Public Works Department?—A. I would not say a large contractor.

Q. You manage to get a few thousand dollars out of them occasionally, do you not?—A. For what.

Q. For dredging?—A. Yes, sir, we do.

Q. You are one of the New Brunswick dredgers, are you not?—A. We dredge in New Brunswick.

Q. And you got over \$44,000 last year out of contracts from Mr. Pugsley's department?—A. I am not positive of the amount; perhaps we did.

Q. And you got more this year?

Mr. CARVELL.—We cannot go into this. If you say you are going into this now we will have to say something about it.

Mr. CROCKET.—Do you object, Mr. Carvell?

Mr. CARVELL.—You cannot play any little bluff games like that on me.

Mr. MCKENZIE.—You had better please him by objecting.

Mr. CARVELL.—If he wants the fact that A. & R. Loggie are dredging for the government this year, we will admit it.

*By Mr. Crocket:*

Q. You got some payments this year?—A. Yes, sir.

Q. You expect to get other payments and other contracts from the government?—A. We have no reason to expect we will get other contracts.

Q. You have established a dredging plant since Mr. Pugsley became Minister of Public Works have you not?—A. Yes.

Q. Mr. Loggie, I am going to ask you this: Have you had any financial dealings with the Minister of Public Works?—A. Financial dealings?

Q. Have you had any financial dealings with the Minister of Public Works of any kind?

Mr. CARVELL.—He means did you contribute anything to Mr. Pugsley for election purposes.

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The CHAIRMAN.—I suppose he means in your private capacity, or in the minister's private capacity.

*By Mr. Crocket:*

Q. I mean has he had any financial dealings with the Honourable William Pugsley?—A. On these contracts?

Q. Or otherwise?—A. None otherwise, not a cent.

Q. What is your bank?—A. The Bank of Montreal, Chatham.

Q. Do you use any other bank?—A. Yes, sir.

Q. What bank do you use?—A. The Royal Bank of Canada in Dalhousie.

Q. What bank do you use in Loggieville?—A. That is the Bank of Montreal, Chatham; there is no bank in Loggieville.

Q. And at Richibucto?—A. The business at Richibucto is done through the Royal Bank in Rexton, any of that is done that way, but if you want our private business I want to make it plain to these gentlemen the way we do our business in Richibucto—the bills are handed into Loggieville, and paid at Loggieville. Really we have no account with the Royal Bank in Rexton. If the manager wants any money there he goes and draws it, the draft is cashed and he gets the money, but we have no account like the Bank of Montreal.

Q. Have you had no financial dealings with the Minister of Public Works?—A. No, sir.

Q. You say you have never given him any cheques, or drafts or notes, for any purpose?—A. No, sir, never under the heavens.

Q. Has your firm?—A. No, sir.

Q. Neither for professional business or otherwise?—A. For professional business we did. We had a lawsuit, I think, about six years ago. Before Mr. Pugsley was Minister of Public Works he was our lawyer, and we paid him for it. That is all the financial dealings we had with Mr. Pugsley.

Q. That is all the financial dealings?—A. That is all the financial dealings. I understand you. I want to give it to you straight. What you want to get at is if we had some private dealings in some underhand way with Mr. Pugsley?

Q. I am just asking my questions.—A. As I understand you, you wish to know if we had any private dealings in any underhand way with Mr. Pugsley by endorsing notes or anything else. If that is what you mean I tell you there was never a viler lie put on any one on earth. I say that and I know where I am, and I know that you do not want me to answer it that way; you would prefer me to answer it some other way.

Q. I am asking you the question and I have the answer?—A. That is the answer, positively.

Q. Mr. Pugsley was at Dalhousie during the campaign, was he not?—A. I think so.

Q. You saw him there?—A. I did not. That is not true.

Q. You got a dredging contract on a telegram from the Minister of Public Works while he was on campaign, your firm?—A. I do not think so.

Q. Did you not do dredging at Bathurst?—A. Yes, sir, I think we did.

Q. That was ordered by the Minister of Public Works from Dalhousie during the election campaign?—A. I do not know that.

Q. Have you seen that telegram that was signed by the Minister of Public Works?—A. Yes.

Q. Have you any doubt about that, that it came as the result of that telegram and you did the dredging?—A. We did the dredging at Bathurst.

Q. Now, you have formed, within the past year, a dredging company, have you not?—A. Well, yes, and no. I do not want to be misunderstood in that. The Eastern Dredging Company—

Mr. CARVELL.—I think we had better confine ourselves to the sawdust wharf,

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because other gentlemen want to ask questions, but you will have an opportunity later on to ask all the questions you want.

Mr. CROCKET.—That is my last question with reference to the dredging?—A. I refuse to answer it.

Mr. CROCKET.—I intend to go into Mr. Loggie's dredging contracts, and I do not intend to mix it up.

The CHAIRMAN.—He answered yes and no, and he was going on to give some explanation about it.

Mr. CARVELL.—I move we adjourn till 4 o'clock, and that the Chairman ask permission of the House to sit during the session of the House to-day.

The Committee adjourned.

COMMITTEE ROOM, No. 32,

THURSDAY, Feb. 24, 1910.

The Committee resumed at 4 o'clock p.m.

Mr. ANDREW LOGGIE, recalled.

*By Mr. Crocket:*

Q. You spoke this morning about your own wharf property having been built upon two lots that you bought, one of which lots cost you \$400, and another \$150, is that right?—A. Yes, I think that is right.

Q. Now, these lots were how wide?—A. 50 feet each.

Q. There were buildings upon them?—A. There was one building. There were two buildings on one. One building we bought at that \$400, and the other little building, known down there as the Bell building, we bought that separate. I think we paid \$100 for that. That was there when we bought the lot, and on the side of it, rented under lease. That we did not buy at the time that we bought the Samuels' store, but it was on a part of the Samuel lot.

Q. But the other lot there were buildings on?—A. On our other lot.

Q. You said there were two lots, 50 feet each?—A. Yes.

Q. Upon one lot do I understand you to say there were two buildings?—A. Yes, that is right.

Q. Was that the \$400 lot?—A. The \$400 lot. We paid \$400 for the Samuels building, and we paid \$100 for the Bell building. It was joined to it on a part of that lot, but leased at that time to Bell.

Q. But the \$400 included the land and the buildings?—A. It did not include the buildings; it only included one of the buildings on that lot. The other building we did not buy at \$400; we bought it at \$100 afterwards.

Q. I don't understand you?—A. I can't help that.

Q. I understood you that that wharf was built on two lots?—A. Yes.

Q. One of them was a 50-foot lot which you bought for \$400?—A. We did not buy the whole of it, because this building, I tell you, was on it that we paid \$100 for afterwards.

Q. Were there several buildings on the lot which you bought for \$400?—A. There were two buildings.

Q. Did the \$400 purchase include the two buildings?—A. It did not; it included one of them.

Q. Then you paid another extra hundred dollars for the other building?—A. Yes, some time later.



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Q. Then, there was the other lot?—A. Yes.

Q. Was there any building on that?—A. No, sir, nor no wharf nor nothing.

Q. But it was on the water-front?—A. Yes.

Q. Was that what is known as the Frecker?—A. No.

Q. Did you ever buy a lot there very near on the river which was known as the Frecker property? How much did you pay for that?—A. I have the papers in my grip. (Sends Mr. Murray for the papers.)

Q. Perhaps while we are waiting for them, there is another question or two I wanted in addition to that; now, did I understand you to say this morning that you saw Geoffrey Stead on the train after the examination, after the Christmas recess?—A. Yes, that is what I said.

Q. You met him on the train?—A. Yes.

Q. Is that the only time you saw him?—A. Since when?

Q. Since the examination that was held in this case before the Christmas adjournment?—A. Yes, that is the only time.

Q. Are you quite sure of that, Mr. Loggie?—A. Well, as I remember it now, that is the only time. I don't remember of ever seeing Mr. Stead, but that once, and he came on, I think, at Derby Junction or Chatham Junction. I know we only had a very few minutes on the train. He got off, I think, at Newcastle.

Q. Which way were you travelling?—A. I had been down to Richibucto. I did not see him get on the train but I think he got on at Chatham Junction.

Q. That is the time you had the conversation you spoke of this morning?—A. That is the only conversation I had with him that I know of this winter.

Q. Did he see you at Dalhousie?—A. When?

Q. During the Christmas holidays, before the 19th January?—A. This winter?

Q. Yes?—A. No, sir. I think in the fall of the year—well now, I don't know what time that would be—he came into my place one evening, but that certainly was before there was any words about this sawdust wharf business.

Q. It is after that I am directing my question?—A. This was before. I never saw him at Dalhousie or any place else except on the train after this investigation began.

Q. Your attention was called this morning to a telegram that you sent from Dalhousie, I think, on the 18th January, stating that you were ill with bronchitis; you were confined to the house, were you?—A. Yes, that is right.

Q. And that is the illness you complained of?—A. Yes.

Q. Well, I call your attention to this statement, that Mr. Stead swore, under Dr. Pugsley's cross-examination on the 19th January, as follows:—

Mr. Geoffrey Stead, recalled.

*By Hon. Mr. Pugsley:*

Q. Have you seen Mr. Andrew Loggie lately, Mr. Stead?—A. I saw him a week ago, Mr. Pugsley.

Q. I have received this telegram from him:

DALHOUSIE, N.B., Jany. 18, 1910.

Hon. WM. PUGSLEY,  
Ottawa, Ont

Regret I am unable to be present at Ottawa 19th, being confined to house for some time with bronchitis and asthma, returning summons with doctor's certificate, will wire you fully to-day.

ANDREW LOGGIE.

Q. What condition was Mr. Loggie in when you saw him?—A. He was suffering very much from asthma at the time.

WITNESS.—Yes, sir, that is right; that is true.

Mr. CARVELL.—It does not say where he saw him, does it?

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Mr. CROCKET.—He says when he saw him he was suffering from asthma.

Mr. CARVELL.—On the train.

*By Mr. Crocket:*

Q. Were you travelling when you were suffering from asthma and bronchitis?—

A. Yes, sir, I went to Richibucto.

Q. This telegram of January 19th, speaks of your 'being confined to house for some time with bronchitis and asthma returning summons with doctor's certificate.' Mr. Stead's statement was made to Dr. Pugsley with reference to that telegram, and he says that he had seen you and that you were suffering?—A. What time did Mr. Stead say he saw me?

Q. He says, 'I saw him a week ago?'—A. If you will allow me to tell you, I think it was on the 8th of January I went down to Richibucto. I had been very miserable before that. I went to Richibucto, and when I went to Richibucto they met me at the station with a team and took me to the house where I board. When I got there and got up stairs all I could do was to just get upstairs. I laid in bed in Richibucto until Monday morning. Monday morning I got up and went down to the store a little in the forenoon, and Tuesday. Wednesday I went back to Dalhousie.

Q. Wednesday would be what day of the month?—A. Wednesday would be the 10th or the 11th. I am only speaking from memory.

*By Mr. Carvell:*

Q. Of what month is that?—A. January.

Mr. CARVELL (consulting diary).—Wednesday would be the 12th.

WITNESS.—What date is Saturday on?

Mr. CARVELL.—Saturday is the 8th.

WITNESS. Well, I went down on Saturday. I was there Sunday and Monday and Tuesday, and I think it was Wednesday I came back—Tuesday or Wednesday, I am not sure; it was Tuesday, I think, but it was one of those two days that I came back, and I was not out of the house from that Tuesday until the next Friday week, whatever date that is. I was out on Friday a little spell and on Saturday. Then I think it was six or seven or eight days after that I was not out of the house again. I was only from the time I came back from Richibucto until—that was from Tuesday till the next Friday week—then I was only out a spell of those two days, and then it must have been about eight days that I was not out of the house again.

*By Mr. Crocket:*

Q. However, you say the only time that Mr. Stead saw you was on the train?—A. Yes, sir; that is my memory of it.

Q. And you say that the subject of the Richibucto wharf was never mentioned?—A. I didn't say that, I don't think—that it was never mentioned.

Q. I understood you to say that; do you say that it was mentioned?—A. Well, he spoke about this evidence here, and called my attention, as I remember, to O'Leary's evidence about his offering his property for \$1,500, or saying that it was worth \$1,500, and he would sell it for \$2,000, and he did make some reference about the dredging, or whatever you might call it, about this investigation here. It was only a few minutes; didn't amount to anything; nothing that would in any way influence me in one way or the other.

Q. Did he refer to your offer?—A. He did not, anything of the kind.

Q. I mean to your letter—I should not call it an offer—in your valuation of January 13, 1909?—A. He did not.

Q. And do you say that is all that was stated?—A. That is the principal part of it, because we only had a few minutes, and we talked about other things, and, as I remember it, that is the pith of the whole thing.

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Q. You say you were at Richibucto on what day in January?—A. I think it was the 8th January.

Q. You know that Mr. Stead was in Richibucto in January and made a re-survey of this property?—A. I didn't know anything of the kind. I had no means of knowing it except I saw it in public print.

Q. And you have seen it in the evidence that he was there?—A. Well, I don't know as I did; but I read it, no doubt.

Q. You have no doubt that he was there about Christmas last year and prepared a new plan of this property?—A. I don't know that. I have no means of knowing that.

Q. You said you saw it in public print?—A. In public print, but that is the only way I would know it.

Q. Do you mean to tell me that Mr. Stead did not see you at Richibucto at all?—A. He did not see me at Richibucto.

Q. And not at Dalhousie, and only on the train?—A. Only on the train.

Q. From whom did you get this evidence that you said you read over?—A. What evidence?

Q. You said you had read the printed evidence in this case?

Mr. CARVELL.—That is what you called the novel.

WITNESS.—Oh, this is the sawdust wharf novel.

Q. Is that what you call it?—A. Well, that is what some people in Richibucto called it—the sawdust wharf novel.

Q. It is considered rather interesting?—A. Yes, because such men as your friend O'Leary contributed so much fiction to it, it makes it rather interesting.

Q. You said he prepared some fiction?—A. I think pretty near all fiction.

Q. Pretty near all fiction?—A. Yes, that is my opinion.

Q. Didn't you tell me this morning that you knew yourself that Tom. Murray had paid only \$700 for that property? You know that, don't you, and you know Murray swore to it?—A. Which?

Q. That he paid only \$700 to Richard O'Leary for this property?—A. Yes, certainly.

Q. Is that fiction? Is that statement of Murray's fiction?—A. No, it is O'Leary's; it is not Murray's.

Q. Is that fiction?—A. I don't know. I should imagine that is true.

Q. You know it is true?—A. How would I know it is true? It is on other people's statement. I presume it is true.

That is not the fiction you mention?—A. No.

Q. Is it a fact that he sold the property to the government for \$5,000?—A. Who?

Q. Mr. Murray; is that the fiction you were referring to?—A. No, I said it was the fiction that was contributed by your friend Mr. O'Leary to it.

Q. Will you name to me anything that is fiction in Mr. O'Leary's statement?—A. Yes, sir, I will, in my opinion.

Q. What is it?—A. When Mr. O'Leary came up here before those intelligent gentlemen here and took his oath and swore that his wharf was worth \$1,500 it was worse than fiction, for it was not true. Now, if you want to know, that is the answer.

Q. That it was worth \$1,500?—A. He said that was the value of his wharf.

*By Mr. Reid:*

Q. Which wharf?—A. Mr. O'Leary's own personal wharf. That is what I call fiction, and he said he would sell it for \$2,000. I call that fiction because I believe—

*By Mr. Crocket:*

Q. Is that the chief fiction that he contributed?—A. Well, he may have contributed some other fiction, but that I call fiction because I believe it is not true.

Q. Did you ever offer to buy the wharf from him?—A. From O'Leary?



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Q. Yes?—A. Well we did.

Q. His own wharf?—A. Yes.

Q. When?—A. After he had made that offer here in the Public Accounts Committee. That is the very time we offered it, and no other time.

Q. So you went after wharf properties after this investigation began, and not till then?—A. We went after that wharf property after.

Q. What did Mr. OL'eary say to you?—A. It was to Mr. Carvell.

Q. I understood you to say that you did?—A. Well, we did through our attorney, certainly.

Q. You did through your attorney; do you refer to Mr. Carvell?—A. Yes, acting as our attorney.

Mr. CARVELL.—I honored the instructions, too; I have the telegram upstairs

*By Mr. Reid:*

Q. Did you pay him a retainer?—A. No.

Q. Did you expect to?—A. We may. That is a matter that a lawyer generally looks out for.

*By Mr. Crocket:*

Q. So that was your scheme?—A. Which?

Q. That Mr. Carvell put up in the committee here, producing a certified cheque to offer Mr. O'Leary?—A. My scheme, Mr. Crocket, was this: As a business man I supposed your friend here to come to tell the truth. He said, 'My wharf is worth \$1,500 and I will sell it for \$2,000.' We telegraphed to Mr. Carvell, 'Pay him \$2,500 for it.' He turned around and said he couldn't sell it now. He says, 'The sawdust wharf has advanced the value of my wharf; now I want more for it.'

Q. No, he did not say that; he said that seeing the Dominion government was paying \$5,000 for a property that a few months before was \$700, he would raise the price?

Mr. CARVELL.—He did not say that. He said as the sawdust wharf had advanced in price he was going to advance his price as well.

*By Mr. Blain:*

Q. Who sent the telegram that you refer to about the purchase of the wharf?—

A. It was sent by A. & R. Loggie. It was not sent by me.

*By Mr. Crocket:*

Q. It was sent by your instructions?—A. I would not say it was sent by my instructions at all.

Q. You advised it?—A. I don't know as I advised it. That is what we agreed to do. That is our private business.

Q. Did you furnish Mr. Carvell with the money to pay?—A. No.

Q. Did you give him a letter of credit or anything of that kind?—A. No.

Q. Do you know Mr. Carvell produced his own cheque on that occasion?—A. Yes. We could not—pardon me for explaining it—you know it is not customary for us—it may be with you—we don't send cheques by telegram.

Q. I have not very many to send; I certainly could not raise \$2,500 to put up a game of that kind?—A. To give you an intelligent explanation, we telegraphed to Mr. Carvell. We could not telegraph a cheque. Mr. Carvell, I guess, thought that we were good enough for \$2,500.

Mr. CARVELL.—If you will just hold this committee till I go upstairs I will bring the telegram.

Q. Did you ask him to arrange for the payment of the money?—A. No, we telegraphed to Mr. Carvell to buy the wharf for us, and he produced his cheque, as I understand it, to pay for it. He was no doubt perfectly satisfied he would get the money from us.

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Q. He knew you were good for it?—A. I suppose he thought so.

Mr. CARVELL.—Hands the telegram to Mr. Crocket.

Mr. CROCKET.—(Reads telegram):

Q. This is dated from Chatham, N.B., 18th January, and reads as follows:—

‘G. B. Carvell, M.P., House of Commons, Ottawa, Ont. Having noted in report of evidence of R. O’Leary, his willingness to sell his own private wharf property at Richibucto for \$2,000, we hereby authorize and empower you to purchase said property from Mr. O’Leary for us at what he asks or any sum not exceeding \$2,500 cash on delivery of deed in fee simple.

A. & R. LOGGIE.’

Q. You knew of that telegram being sent?—A. Yes, sir.

Q. And it was sent from Chatham on that date?—A. Well, just one moment——

Q. And you limited the price to \$2,500?—A. By that telegram.

Q. Is that the fiction you say that Mr. O’Leary contributed?—A. Yes.

Q. That is what you have in your mind?—A. That is the principle thing—a gentleman saying that the wharf, that I claim is worth about \$8,000—that he claimed that it was worth \$1,500 and that he would take \$2,000.

Q. You say it is worth about \$8,000?—A. That is my opinion.

Q. And you asked Mr. Carvell to make him an offer not exceeding \$2,500?—A. Yes, sir, that is what we did.

Q. And you knew he could not buy it?—A. Well, Richard O’Leary—I didn’t know he couldn’t buy it, because Richard O’Leary had sworn he would sell it for \$2,000.

Q. You say now that the property is worth \$8,000?—A. That is my opinion.

Q. And you instructed Mr. Carvell to offer \$2,500 and not go a cent more?—A. That is right.

Q. Then you did not expect Carvell to buy the property for you; it was a bluff?—A. It wasn’t anything of the kind.

Q. Do you say that was not a bluff?—A. I say it was not a bluff.

Q. Was not that to disconcert Mr. O’Leary?—A. Disconcert him how?

Q. And was not that the only object of that telegram?—A. If Mr. O’Leary had accepted that—he swore that he would take \$2,000 for it, and we offered him \$2,500——

Q. You say that the property was worth \$8,000, and you knew he could not sell for that or any sum like it?—A. I didn’t say anything of the kind, that he wouldn’t sell for that.

Mr. CARVELL.—He swore he would sell for that.

WITNESS.—He swore he would sell for it.

*By Mr. Crocket:*

Q. You tell me now that the statement was fiction—that he would not sell for that; didn’t you say that that statement was fiction—that he would not sell for that?—A. I said in my opinion it was fiction, because the wharf was worth \$8,000 and he said it was only worth \$1,500.

Q. Then having said that you now admit you telegraphed Mr. Carvell here to offer him an amount not exceeding \$2,500?—A. Yes, sir, that is right.

Q. You knew that he would not sell it at that?—A. I didn’t know he would not sell; because he had sworn he would sell it for \$2,000. How did I know?

Q. Was not that put up for the purpose of disconcerting and attempting to discredit Mr. O’Leary?—A. I say no, that was not put up; I say Mr. O’Leary swore that he would sell it for \$2,000, and we said, ‘Well, we will give Mr. O’Leary \$2,500 for it.’

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Q. The date of that telegram is January 18; when you sent that did you expect that you could get that wharf bought?—A. We didn't know.

Q. What is the date of your \$5,000 cheque to the government? Do you remember that?—A. No, I don't remember that.

Q. That was the 18th January, so you had two things going at once, did you?—A. No doubt about that.

Q. You had the \$5,500 proposition for the property that you knew had been sold to Tom Murray for \$700 a few months before, and you had also this proposition here?—A. Yes, sir, that is right.

Q. Did you require those two wharfs?—A. Well, Mr. Crocket we require—

Q. Answer my question; did you require those two wharfs? Were they necessary for your business at all?—A. I would not say they were not necessary, but as a matter of business we had a perfect liberty, hadn't we, to buy a dozen wharfs?

Q. Yes, if you were doing it, certainly?—A. Well, that is what I claim.

Q. Will you tell me that that was sent up here in an honest effort to acquire the property, or was it not simply because of what had taken place in the Public Accounts Committee, and an effort on your part to discredit Mr. O'Leary?—A. I say that Mr. O'Leary made a statement here that he would take \$2,000 for the wharf. We said, 'Well, if Mr. O'Leary will take \$2,000 for the wharf we will go \$500 more.' He said he would take it. It was not speculating at all. He swore here, 'I will sell it for \$2,000.'

Q. And you told me a minute ago that when he made that statement you did not believe it.

Mr. CARVELL.—No, he didn't.

WITNESS.—I didn't do anything of the kind.

Mr. REID.—You said it was fiction.

*By Mr. Crocket:*

Q. You instanced that as the chief fiction in his testimony?—A. I say the fiction in his testimony was that he said that he would sell a wharf for \$2,000 when I believed it was worth \$8,000.

Q. Didn't you say that when he said that you did not believe it?—A. Which?

Q. Didn't you state that, and didn't you say you believed that his statement that he would sell it for that was fiction?—A. His statement after—

Q. Answer that; did you or did you not state this afternoon that Mr. O'Leary, when he stated that he would sell that wharf for \$2,000, was stating what was fiction?—A. Yes, compared with a wharf valued at \$8,000.

Q. So that is the way this matter came before the committee; now, you have been taking considerable interest in bolstering up this thing, apparently?—A. Bolstering up what?

Q. The valuation of this property?—A. I don't know that we have been taking any special interest in bolstering it up.

Q. You put up a certified cheque for \$5,500 to buy the property?—A. Yes, and perfectly willing to take it, and will take it to-day.

Q. And instructed Mr. Carvell to buy another property that you know you did not need if you bought the sawdust property?—A. How do you know we didn't need that? We need any property we buy and pay money for, and that is my idea.

Q. I am testing now the bona fides and genuineness of your proposition to the government, that is what I am doing; and I may say to you frankly that I think it was a big huge bluff?—A. That is only your opinion, and I don't consider it worth anything.

*By Mr. Blain:*

Q. Mr. Loggie, do you say you did not send that telegram yourself?—A. No, sir.

Q. Who did send it?—A. I don't know. It was sent from the firm at Loggieville.



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Q. Who suggested the \$2,500 limitation on the price?—A. Well, I don't know whether it was myself or my brother's.

Q. Did it receive your sanction before it was sent?—A. Yes, I would imagine it did. I would not swear it did, but I think there is no doubt, if we talked that over, that we all agreed to it.

Q. Where were you when you talked it over?—A. I was in Dalhousie, in my own house.

Q. How did you receive word that Mr. O'Leary had stated he would take \$2,000 for it?—A. Out of this (pointing to printed proceedings).

Q. Out of this evidence?—A. Yes.

Q. When did you get it?—A. I got it when I was in Richibucto.

*By Mr. Crocket:*

Q. From whom?—A. I think the first copy of that I got, I got it from—I know I got one from Murray, from Tom Murray.

*By Mr. Blain:*

Q. And you got it from Mr. Thomas Murray, did you?—A. Well, I am not sure of that, but I got one copy from him, and somebody sent me one from the House of Commons here.

Q. Did you have a telegram or a letter from Ottawa?—A. When?

Q. In respect of this statement of O'Leary's before the Public Accounts Committee?—A. No, sir, I had not.

Q. Did anybody on your behalf?—A. No, sir.

MR. CARVELL.—Now, ask him if he had any correspondence with me about it?

Q. May I ask did your solicitor telegraph or write you from here?—A. How is that.

Q. Did Mr. Carvell ever write or telegraph you from here in respect to this offer of \$2,000 or \$2,500?—A. No, sir, he did not.

Q. How did you come to select Mr. Carvell to send the telegram to?—A. Well, just because we knew he was here, I had never met Mr. Carvell nor knew anything about him, and my brothers asked me that question.

MR. CARVELL.—He never saw me before in his life.

WITNESS.—I never saw him, but I thought Mr. Carvell, from his course in the House, was a man you could trust, that we could trust him.

Q. I suppose you have a great deal of faith in the government altogether, haven't you?—A. Yes, sir, that is right.

*By Mr. Crocket:*

Q. You told Mr. Blain you received one copy from Tom Murray?—A. Yes, sir, that is right.

Q. And you got another copy from Ottawa?—A. Yes.

Q. You said you had no communication from Mr. Carvell by letter or telegram from Ottawa?—A. Yes, that is right.

Q. From whom did you receive the other copy?—A. I don't know; I don't think there was any name on it, and I got two or three more, I don't know who from. Which of these copies I read that out of I don't know, and I don't think it makes any difference.

Q. Have you received both numbers—both No. 1 and No. 2?—A. Yes, both numbers.

Q. And you read the evidence over very carefully?—A. Not very carefully. I have not given it perhaps the attention to call it very carefully, but I have read it over.

Q. And you have talked it over too, haven't you?—A. With whom?

Q. A legal gentleman of the New Brunswick bar has accompanied you to Ottawa, hasn't he?—A. Yes.

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Q. Mr. Robert Murray, of Chatham?—A. Yes.

Q. He is a stockholder in the Eastern Dredging Company, Limited?—A. Yes.

Q. You have discussed this pretty fully with Mr. Murray, haven't you?—A. Well, not very fully, and if we did—if I did——

Q. I am not saying there is anything wrong about it, but I am asking you if you have not discussed this thing fully, and the points in this evidence that required to be met, with Mr. Robert Murray, of Chatham?—A. Well, Mr. Crocket, I believe I will have to tell you for the first time that that is none of your business. Mr. Murray is our attorney. I leave it to the chairman if my conversation with Mr. Murray, our attorney, has got to be made public here. I leave it to any member of the board.

Q. I am asking you the fact?—A. I refuse to give you that information.

Mr. CROCKET.—I submit, Mr. Chairman, I have a perfect right to ascertain. I am not asking what he said.

The CHAIRMAN.—I suppose what he means is, did you discuss it with your attorney but he does not propose, and it would be certainly objectionable, to insist upon your telling what took place between you and your attorney—that is privileged; but I suppose there would be no objection to your answering whether you did consult your attorney?—A. No, sir, not in the least. I say yes.

*By Mr. Crocket:*

Q. And Mr. Murray has come to Ottawa here with you?—A. Yes.

Q. In connection with this investigation?—A. I don't say that. Mr. Murray has told me that he had business of his own.

Q. And Mr. Murray came with you to Ottawa?—A. Yes, on the same train.

Q. Have you or have you not gone over and discussed with Mr. Carvell the evidence?—A. Very little.

Q. Do you say you have not?—A. I don't say I have not. I say I have.

Q. Have you seen the Minister of Public Works since your arrival?—A. No, sir, I did not. Yes, pardon me, I did see him sitting at the end of the table to-day when I was over there.

Q. You have not gone over it with the Minister of Public Works, then?—A. No, sir, nor with anybody else.

Q. Except that you have gone over it a little with Mr. Carvell?—A. Yes, that is what I mean.

Mr. Carvell hands papers to witness relating to lots purchased in Richibucto.

Q. I asked you a question about the Frecker property; I want to know what you paid for the Frecker property?—A. This document I believe is an abstract—if that is the legal word—taken from the record. I might show it to the Chairman, if it is agreeable. (Handing document to the Chairman.)

The CHAIRMAN.—That would be a certified copy, I suppose, of some record in the Registry Office.

*By Mr. Crocket:*

Q. I am asking you what you paid for it?—A. He says that we paid for the property——

Q. Who says?—A. This is what the recorder says. If you will allow me to explain for one minute, the original purchase of the Frecker property was not done by us, but it was done for us by a man named Cochrane. Mr. Sayer, the recorder, has those deeds before him; here is what he says: 'Cochrane paid \$114 for the Frecker lot and \$200 for the Harnett lot.' Just allow me one minute to explain. Those two lots were deeded to us by Robert Cochrane in one deed. The Harnett property is a house that is down the town a piece, that he bought for me, for A. & R. Loggie, and the Frecker property he bought also in his name. Then he gave us a deed of the two for \$314.

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Q. That is, the Harnett and the Frecker?—A. Yes.

Q. Does the Frecker lot front on the river?—A. Yes, it fronts on the river.

Q. How much frontage?—A. I don't appear here to give the size of the land, the width.

Q. Approximate it?—A. Well, I would imagine it possibly might be. I would say, between 30 and 40 feet; that would be as I remember it.

Q. Your abstract does not show?—A. No.

Q. What about the Harnett? Does that front on the river?—A. I would suppose that that does not front more than about 30 feet.

Q. Do the two lots adjoin?—A. No, one is up towards the upper end of the town and the other is right down near Mr. Fraser's store.

Q. Do you own any other property fronting on the river?—A. Yes.

Q. That is, in addition to those two lots that you spoke of this morning that you built your wharf on?—A. Yes.

Q. Tell me what other lots you own fronting on the river?—A. Well, the store and Fraser property—that is the way that is put in there—that is the property you were speaking about. Then there is the Sutherland property.

Q. What frontage has that property? Just give it approximately, and the price, is what I want?—A. Well, the price of that appears to be \$175.

Q. And that runs down from the street to the river?—A. Yes.

Q. And what width?—A. Well, I don't know. It doesn't appear to give the widths here. I would imagine that would be, may be, the part of it that we bought would, may be, be 25 feet, because it is just the length of the house, and then there is a roadway reserved down between that and the Richmond store.

Q. These are only approximations you are giving; there is no record of the frontage?—A. There doesn't appear to be a record but the prices are here.

Q. You say that one is \$175?—A. \$175; this is a certified copy.

Q. Have you any other frontage on the river?—A. Yes.

Q. What lot do you call that?—A. This is put in here as the Sutherland lot.

Q. In addition to that are there any others?—A. This is No. 1, that is the Frecker property. The next is the store and Fraser property, which would include. I think, those two lots that I have spoken about, that would be 100 feet wide.

Q. And you paid how much for it?—A. I think it was \$400, but I see here it was \$380; that is the correct amount; that is of the Samuels property.

Q. Give us the others that you have not already mentioned; that is, lots bought running from the street down to the water-front, and the prices?—A. You have the Sullivan property?

Q. Yes, and the Frecker property?—A. Now, there is the Leishman property.

Q. And the price?—A. This was bought with a piece of land, an old field, that we bought together. I think they were both bought by public auction. The price that was paid was apparently, the consideration, was \$750.

Q. And that included the buildings?—A. Yes, sir.

Q. And what frontage?—A. By the description here—but I really think there must be an error—but here is what it says, a description of the two lots in the town of Richibucto; this is headed as the Richmond property by the recorder—on the easterly side of Water street, bounded on the south by the lands owned by the late John Leishman, running in a north direction along said Water street, 26 feet, then in a direct line to the river harbour of Richibucto, maintaining a width of 26 feet on the boundaries of Water street to the river, together with the free use of a passage to the land here conveyed, I think it is wider than that. At any rate that is the description of the recorder here.

Q. You think it is wider than that?—A. I think it is wider.

Q. What is your idea of the width of that property? Without reference to the



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record, what would you say?—A. I would say that property was possibly 50 feet wide. Mind, it is only supposing that—

Q. And that included buildings?—A. Yes.

Q. \$700, did you say?—A. The \$700 was paid for that and the field of land outside of the town. I think the field of land is put as 36 acres.

Q. And the \$700 paid for this lot and the field?—A. Yes, \$750, and I think when we divided it to get the value we called the field \$400 and this \$350.

Q. And what buildings did that \$350 purchase include?—A. Well, there is a barn on it. It was an old barn, but we fixed it up some, and a little old store and a small dwelling-house.

Q. And that went down to the water-front?—A. Yes.

Q. And \$350 got you that?—A. Yes, that is right.

Q. Have you mentioned yet the lot upon which the late George W. McInerny's law office was situated? You bought that, didn't you?—A. Yes.

Q. Is that in one of those properties?—A. I was just looking; it don't appear to be here. The next one is the Hutcheson property. That is the last one we bought, I think. That has a frontage I think of 41 feet. We paid \$1,000 for that.

Q. When did you buy that?—A. Well, there has been negotiations going on for I suppose nearly two years.

Q. Is the deal closed?—A. Yes, sir, and the deed is on record.

Q. That is just a recent purchase?—A. Yes, that is the last piece of property we bought.

Q. There is an hotel on that lot, is there not?—A. There is a building that is used as an hotel.

Q. And the purchase price covered the building?—A. Yes, that is right.

Q. And you bought that property with the hotel on it, situated on Water street, and does that run down to the water's edge?—A. Yes.

Q. And of what width?—A. Forty-one feet, I think.

Q. You bought that for \$1,000?—A. Yes, that is right.

Q. The Queen Hotel?—A. No, sir, that is not the Queen Hotel.

Q. What is the name?—A. The reason why I say that, the proprietor had a little house that he had this sign on, but I really think that is the Queen Hotel.

*By Mr. Blain:*

Q. Is it a licensed hotel—licensed to sell liquor?—A. Yes.

*By Mr. Crocket:*

Q. It is an hotel that has been running right up to date?—A. He is running it now. I don't know how long since he got the license. He got a license.

Q. It is a two and a-half story building, is it?—A. I would say it is a two story building; that I am not positive about.

Q. And you bought the whole business out, hotel and all, and running down to the water's edge, for \$1,000?—A. Yes.

Q. And you did that very recently?—A. Well, I don't want you to misunderstand—

Q. Is that so or not?—A. The negotiations were going on; the owner of this was in Dawson City.

Mr. REID.—That has nothing to do with it. Did he buy it for that, or not?

The WITNESS.—He did buy it for that, but Mr. Crocket wants to know if it was recently. I say we did buy it for \$1,000.

*By Mr. Crocket:*

Q. Is it within the past year?—A. It is within the past year we got the title.

Q. Have you any other property that you bought on Water street running from Water street down to the river, in addition to what you have mentioned already? Are

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you able to say yet whether you have mentioned the lot on which the late George McInerney's office was?—A. No, they don't appear to have that in this.

*By Mr. Carvell:*

Q. There is something called the McLeod lot; would that be it?—A. No, I think it was Mr. O'Leary bought the McLeod lot.

*By Mr. Crocket:*

Q. Do you know the lot upon which the law office of the late George McInerney was?—A. Yes, bought it from George McInerney.

Q. Does that run from Water Street down to the river?—A. Yes.

Q. What is the width of that?—A. I would imagine the width of that must be at least 50 feet.

Q. And what did you pay for it?—A. \$275.

Q. With the office building on it?—A. Yes.

Q. And you offer the government \$5,500 for the sawdust wharf?—A. Yes, sir, and, Mr. Crocket, we will take it to-day at that price.

*By Mr. Blain:*

Q. Mr. Loggie, you say the wharf owned by Mr. O'Leary is worth \$8,000?—A. That is my opinion.

Q. Will you give \$8,000 for it?—A. I would not say that.

Q. How much would you give for it to-day?—A. Well, that is a matter that would be our own private business and I would have to give that some consideration.

Q. That is just the point, as to whether you are in earnest when you say it is worth \$8,000. I am accepting your statement of course. Now, if you say it is worth \$8,000 and you are purchasing property there, and have already instructed Mr. Carvell to make an offer. How near up to the valuation are you willing to give?—A. That would just depend if I decided to buy.

Q. You have already made an offer; would you exceed this offer of \$2,500 now?—A. If he would sell it.

Q. How much would you give for it?—A. Well, I would not state the outside limit.

An hon. MEMBER.—I don't think that is a fair question. They are not in a position to sell that property.

Mr. BLAIN.—It is a fair question. The witness has already sent a telegram to buy it.

Mr. CARVELL.—He says he won't swear what he would pay for it.

*By Mr. Blain:*

Q. I am just asking that question. I am saying that you have already made an offer of \$2,500 through Mr. Carvell to Mr. O'Leary for the wharf?—A. Yes.

Q. And under oath you swear it is worth \$8,000?—A. That is my opinion.

Q. I am asking the simple question, how near up to \$8,000 would you give for it?—A. Well, it just entirely depends if we decided to buy it. That part, I am not going to make a statement here on the property for three individuals, where I would do it on my own individual responsibility, as far as buying the property is concerned. I say in my opinion that Mr. O'Leary's wharf is worth \$8,000. I will not change that opinion; that is my opinion.

Q. And you won't say that you will give more than \$2,500 for it?—A. I won't say what I am going to give for it. Surely that is my own business.

Q. You have already made an offer; that is why I ask. May I ask you as to the general value of property there; is it increasing in value?—A. Well, I think so. Now, in those properties that we have bought, if you will allow me—of course you are a strange gentleman to me, and not a lawyer—

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*By Mr. Carvell:*

Q. How do you know that?—A. Well, I don't know; I take it for granted that he is not a lawyer; but this gentleman, now, I will answer his question. Now, we will take the property that we have bought. I say here before you intelligent gentlemen, these properties have been bought at the lowest price, I might say, any property that we bought in Richibucto, all this land, and even that last building we bought, are bought at less than they are worth, in my opinion, less than the legitimate value.

*By Mr. Blain:*

Q. Why?—A. The Frecker property that we bought, after we bought it, we have rented it every year for \$5.50 a month; now, you as an intelligent gentleman will know that if you buy a piece of property at a price like that and get \$5.50 a month you are buying it at a pretty good profit, getting \$65 a year for it, and paying \$114. That property was bought with it, it belonged to a lady that left Richibucto. My friend Cochrane told me it was for sale. I said: 'What does she want for it?' He said: 'She wants \$300.' I says: 'No, I am not going to give \$300, I am not particular about it; what can you get it for?' He says: 'Perhaps \$200. I says: 'I will give \$200 for it.'

Q. Does that indicate that property is increasing in value there?—A. I will just tell you this. Now, I bought that property for the \$200—certainly less than it was worth, in my opinion. We have rented the property ever since we bought it; I don't think there has been a day or week, at \$3 a month. I moved a barn off it that I would consider was worth \$100, which leaves that property there, that we bought for \$100, that we are getting \$36 for.

Q. How does it come that other people don't see any of those values?—A. I say to you that if everybody sleeps till nine o'clock in the morning and gets up with one of those kinds of heads, and doesn't see that property it is not my fault.

*By Mr. Crocket:*

Q. How is sawdust? Is sawdust considered a particularly valuable article down there?—A. Well, I would consider it would just depend on the uses it was put to.

Q. This Queen Hotel property that you got for \$1,000 through this man in Dawson City, did not that include a new stable? There was a new stable built on that?—A. Yes, I think there was a little barn.

Q. And the hotel is fitted up with electric light?—A. I don't know that; I am not sure about that.

Q. What rental do you get from the hotel property?—A. \$75 a year, but that rent, we didn't make it. When we bought the property it was under lease. One of the conditions of the buying of that property was that the lease was to be transferred. They transferred that lease, which runs for six months, and the lease is made out for \$75 a year, \$6.50 a month. At the end of six months I don't think they will get it for \$75 a year.

*By Mr. Blain:*

Q. Do you know any property there that has sold at any high prices in the last two or three years?—A. Well, I don't know; I don't know of any that has sold at high prices.

Q. Is there much property changing hands in that village or town now?—A. I don't think so.

Q. What is the value of those properties now as compared with twenty years ago, say?—A. Well, I wouldn't be prepared to make a statement on that off-handed. Of course as far as the properties we have bought, we consider that we bought the properties for very much less than they are worth, and to you as an intelligent man I am citing those cases where, if you buy a property for \$200 and you get \$36 a year for it, it is a good—



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Q. It is a good investment?—A. It is a good investment. That is the reason we bought those properties along there. Whenever I would see a property that I thought was less than it was worth, or about what it was worth, I bought it.

Q. My point is, as to how you could buy those other properties all so cheap, and that you are willing to say that the wharf of Mr. O'Leary's is worth \$8,000; that is why I cannot understand it.

*By Mr. Carvell:*

Q. Now, explain that?—A. Because the wharf of Mr. O'Leary's—if you will allow me now—this is sent by one of our firm——

*By Mr. Reid:*

Q. What is it, a letter?—A. It is just a memorandum. (Reading): 'The attached is a kind of a rough plan of the wharf, of O'Leary's wharf, showing the three buildings on the inside end of it—the wharf—that is the James office and the old Desbado store, and the big warehouse down behind, the length of the various wharfs from the street to the front of the wharf is 740 feet.'

*By Mr. Crocket:*

Q. That is O'Leary's wharf?—A. That is O'Leary's wharf. That is the \$1,500 wharf.

*By Mr. Blain:*

Q. When was that estimate made?—A. Since I came here. I telephoned down to my foreman to send me a rough sketch of it. Here is the rough sketch.

Q. Since you came to Ottawa, do you mean?—A. Since I came to Ottawa.

Mr. REID.—Let me see the sketch. (Witness hands him sketch.)

*By Mr. Crocket:*

Q. That 700 odd feet is the depth from the street down?—A. Yes.

Q. And how wide is that street? 50 feet?—A. It must be more than 50 feet. There is a building 22 feet wide and another 26 feet wide, and then there is the road beside. Now, the reason I say this wharf is worth \$8,000, there is the buildings on it. The first building here, which is in good repair, is 112 feet long and 22 feet wide.

*By Mr. Carvell:*

Q. Used as what?—A. I think it is used as a salt store. There is another building here in the corner 60 feet long and 40 feet wide. There is another building that appears to be 20 feet by 88. The other building is 50 feet long and 30 feet wide. Another building is 33 feet long and 26 feet wide. Another building is 22 feet long and it does not say the width; it is attached as a kind of an L.

Mr. CARVELL.—That would be stealing a man's property.

*By Mr. Crocket:*

Q. And this is all on the wharf?—A. All on the wharf.

Q. Which are the most valuable, the buildings or the wharf? Is it the buildings that give this wharf its value in your mind?—A. The buildings and the wharf both I base my value on.

Q. How do those buildings compare with the store buildings that you bought there at prices that you have already mentioned?—A. What store buildings?

Q. You mentioned one lot on which you bought a store building, and another lot that included a hotel?—A. Yes, it includes the building that is used as a hotel, but you could not make it appear very well that it was a very grand hotel.

Q. Are those buildings on O'Leary's wharf more valuable than the other buildings that were on the land that you bought, and that were included in the purchase price?—A. Yes, many of them are, because they are buildings under repair, and some of those buildings that we bought were old buildings; some of them wanted to be

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shingled, and most of them fixed up a little. Mr. O'Leary's buildings are in good repair.

Q. So, in your opinion, O'Leary's wharf is more valuable than the sawdust wharf?—A. I would say so, the wharf with its 245 feet front and the buildings all connected with it as a general wharf property.

Q. And the wharf is in a good state of repair, isn't it?—A. Well, I think so, because Mr. O'Leary must have spent a lot of money on it lately. I suppose lately Mr. O'Leary must have spent \$2,000 on it repairing the wharf.

Q. Practically all the shipping is done from that wharf isn't it?—A. Well, I don't think all the shipping is done from that wharf. Some is done from the municipal wharf, and there is some I think from Forbes' wharf, and considerable done from our wharf—all our own business.

Q. Are you thinking of extending your business in Richibucto?—A. Well, we may if it suits us.

Q. Have you any present intention of extending your Richibucto business?—A. Well, that is matters that is for ourselves, you understand.

Q. That is the only answer you desire to make, is it?—A. Yes, sir.

Q. And your wharf that you got there eight or ten years ago, and that you built to accommodate the requirements of your business, you have been using right up to the present time?—A. We required another wharf, for which we have got the lumber. That wharf we built there, I think we have the cost of it. I didn't imagine this thing would come up. However, I will give you that.

Q. You didn't imagine it would come up?—A. The cost of our wharfs?

Q. You said you didn't imagine it would come up, and then you proceed to produce a book; what did you mean when you said you didn't imagine all this would come up?—A. That all this property that we had bought—

Q. Go on with what you were going to say?—A. Wharf at Richibucto built in 1903, 150 by 120, cost of building \$2,012. Repairs in 1905, \$136.24. Repairs in 1908, \$889. Repairs in 1900, \$50.

Q. So that it was the building of the wharf that was the chief cost to you, it was not the site; it was the building of the wharf that was the largest expenditure that you have made on that property?—A. On the wharf, that is right.

Q. You got the land and the site for the wharf, I think you told us, for not more than \$550 including buildings?—A. \$380 and \$150 and \$100.

Q. Having read that—the cost of fitting up that wharf—are you in any position to tell us how much it is going to cost you to make this sawdust wharf useful, to put it in shape for shipping? You have admitted it is not in good shape to be used at the present time; can you tell us how many thousand dollars it will cost you to make a wharf out of that?—A. No, we would have to get an estimate of that. I would not tell you off-handed here, because I would be telling you something that I don't know.

*By Mr. Blain:*

Q. Mr. Loggie, when did you come to Ottawa this time?—A. I came the day before yesterday—night before last.

Q. With whom did you go over those papers since you came?—A. Which papers?

Q. Those, including the sketch of the wharf that you telephoned your representative for, or your foreman—including that and the other papers, with whom did you go over them?—A. I think the only gentleman I showed them to was Mr. Carvell.

Q. You went over them with Mr. Carvell?

Mr. CARVELL.—You are wrong there. I did not see them at all.

WITNESS.—I thought I had shown them to Mr. Carvell.

Mr. CARVELL.—No, I saw the papers in this envelope here.

*By Mr. Blain:*

Q. What other papers did you go over with Mr. Carvell since you came to Ottawa? It is only two days ago since you came, or one day; what other documents

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in connection with this matter that is under investigation did you go over with Mr. Carvell? You said you showed him the plan; he says you did not. What did you show him, and what did you go over with him?

Mr. CARVELL.—You don't need to tell anything that you said to me at all. You can tell him the documents that you and I discussed together.

Mr. BLAIN.—That is all I asked. I asked a simple question.

The CHAIRMAN.—He wants to know what papers or documents you showed to Mr. Carvell.

Mr. BLAIN.—And discussed with him since you came to Ottawa.

*By Mr. Carvell:*

Q. Now, tell him all you can think of?—A. Well, the papers we have had in connection with the sawdust wharf, and the contracts, and those papers in connection with dredging.

*By Mr. Blain:*

Q. Dredging?—A. Yes.

Q. And the evidence?—A. Yes. Not very much with Mr. Carvell, I don't think.

Q. What points did you go over with him?—A. I don't think there was any particular points in the evidence that I remember of.

Q. Why did you go over them with Mr. Carvell?—A. Because I might want some information, and Mr. Carvell is our attorney.

Q. When did he become your attorney? You said you had never seen him until you sent him this telegram?

Mr. CROCKET.—He said he was impressed by his work in the House here.

Q. Why did you seek out Mr. Carvell?—A. Why, well, no special reason, no more than just my brothers suggested another gentleman, and I said, 'There is Mr. Carvell in the House; telegraph to him.' I never saw the gentleman.

Q. Why did you seek out Mr. Carvell as soon as you came to Ottawa, to go over those papers with him?—A. Because he had done that other work for us, and he was the only gentleman that I thought of or had any idea, and Mr. Murray was acquainted with him, and we went to see him.

Q. Who suggested that you get into communication with your foreman to get a statement from him as to the value?—A. I suggested it to the foreman.

Q. I understood you to say that you did that since you came to Ottawa; you got the sketch from Ottawa; did I misunderstand you?—A. You did misunderstand me. I got the sketch since I came to Ottawa, but I suggested to him to get it before I came to Ottawa.

Q. You received it since you came to Ottawa?—A. Yes.

Q. Did you not discuss that sketch with Mr. Carvell?—A. No, Mr. Carvell says I didn't. I thought I did.

Q. Did you talk it over with Mr. Carvell and say that you had a sketch from your foreman?—A. I can't say I did.

Q. And only came to Ottawa a few hours ago?—A. I may or may not, this particular sketch.

Mr. CARVELL.—Now, Mr. Chairman, as my name has been brought into this thing, perhaps you will allow us to give a statement, and I can also give evidence as a witness. I want to say to this committee that I have never in my life received any remuneration from A. & R. Loggie or any member of the company, either verbal or written, except the telegram that was brought here and put in evidence to-day; and I never in my life have ever answered a letter, written a letter or sent a telegram to A. & R. Loggie in my life.

Mr. BLAIN.—But you went over those papers with him?

Mr. CARVELL.—This gentleman and Mr. Murray, a man whom I know very well, came to me yesterday when I got back from Montreal, and I went over it with him last evening.



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Mr. BLAIN.—With Mr. Loggie?

Mr. CARVELL.—Yes. I will go over it again with him to-night, and to-morrow again, if necessary. Now, so far as papers are concerned, I have gone over all the papers which I hold in my hand here; I have gone over the contracts for that dredging; I have gone over the papers in connection with Mr. Loggie.

Mr. BLAIN.—All with Mr. Loggie?

Mr. CARVELL.—All with Mr. Loggie, well, I think so, I have gone over them with him and discussed the matter with him.

Mr. BLAIN.—Do you think, Mr. Carvell, that you saw that sketch?

Mr. CARVELL.—No, I have never seen it.

*By Mr. Blain:*

Q. You said first that he did?—A. Well, I thought he did, but he says he did not.

Q. How did you come to think he did?—A. I had that impression, but I am wrong.

Q. It is your word against Mr. Carvell's. I am willing to accept your word on that, but I am a little surprised; you thought you did go over that sketch.

Mr. CARVELL.—The sketch I have here was the proposed extension to your own wharf. I went over that.

Mr. BLAIN.—Why did you go over this? Was there any special reason?

Mr. CARVELL.—Well, if you were a lawyer and looking over cases, perhaps you would understand.

Mr. BLAIN.—I am surprised that Mr. Loggie would come up here and draw a sketch of a wharf that was not under consideration and discuss it very fully with a gentleman that he had never seen before.

WITNESS.—But I didn't.

*By Mr. Reid:*

Q. Mr. Loggie, you are a member of the firm of A. & R. Loggie, as I understand?—A. Yes.

Q. How many members are there in that firm?—A. Three.

Q. Who are they?—A. Andrew Loggie, Robert Loggie and Francis P. Loggie.

Q. Is it an incorporated company?—A. No.

Q. How long have you been in business in Richibucto?—A. I think we have been in business in Richibucto over twenty years.

Q. What is the nature of the business that you do in Richibucto?—A. Well, we do a general business in Richibucto, buy and sell. Buy country produce; buy fish; sell goods; farm; fish; pack lobsters; buy deliveries:

Q. In connection with your business you do a lot of shipping do you?—A. Yes, considerable shipping.

Q. About how many carloads of stuff do you ship by water each year?—A. Well, I couldn't give you that off-handed, permit me to explain. This wharf that we have got, in addition to that wharf, the wharf I was explaining to you at that cost, it goes out to about 16 feet of water.

Q. That hasn't anything to do with it?—A. Yes, I was going to tell you about the shipping. We have a channel dug down about Mr. O'Leary's wharf into that wharf that cost us \$500. We have two small schooners that are intended for that purpose, that come into that wharf of ours when the tide is high, and we are trying to get out to deep water. That is the way the shipping is done now, and we get a cargo of salt or coal. I think this fall we unloaded our coal at Mr. Forbes wharf; last year we unloaded the coal at Mr. O'Leary's wharf and paid him wharfage for it; that is the way that was done.

Q. How does the quantity of shipping or goods received by water compare now in your business with what it was twenty years ago?—A. Oh, there is an awful difference.

Q. Much more?—A. Oh, surely, surely.

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Q. Has it been increasing right along?—A. Yes, sir.

Q. And is it increasing?—A. Yes, sir. I had a letter to-day from the manager down there giving me the cash sales, and I don't think I ever saw better this time of year.

Q. But this is by water, I am speaking?—A. Yes, but you ask me about the general business.

Q. Oh, no, the question I asked you was how the goods or products that you shipped or received by water compared now with what they were twenty years ago?—A. Oh, I would not like to make a statement of the increase, but I would say it is immense compared with the small business that we started with. We started in Richibucto with a very small business.

Q. Is it increasing now each year?—A. Yes, sir, so is our business.

Q. I mean the shipments by water?—A. Yes, our business is increasing and of course the shipments are increasing in every way, and our business is increasing.

Q. When did you first know that Murray had sold this wharf to the government?—A. The first time I knew that he had sold that wharf was what I told you to-day—that conversation that he and I had at Kent Junction.

Q. What time of year was that?—A. I think that was in August.

Q. Did you ever hear before that that Mr. Murray had purchased the wharf from Mr. O'Leary?—A. No, sir, that is the first that I remember of. That is the first intimation that I got. I was surprised. I don't remember of ever hearing before that, as I told you to-day. That was the first intimation.

Q. Did you go to Mr. Murray, when you met him at Kent Junction, or did he come to you, as to first saying it to you?—A. I would say that neither he came to me or I went to him. We met at Kent Junction and went over and sat on the baggage truck and commenced talking, and as I told you, he commenced talking in a general way.

Q. He told you that he had purchased the wharf from O'Leary?—A. Yes, that is the first intimation I had got of it.

Q. Did he tell you at the time that he had sold it to the government?—A. Yes, sir; he said he had sold it, as I told you this morning. He said: 'I have made them an offer on it.' He modified that.

Q. And then you asked him if he could withdraw it?—A. Yes, that is right.

Q. And you offered him more?—A. No, sir; you didn't understand me to say that I offered him more.

Q. You didn't make him any offer then at all?—A. I did not.

Q. You made him no offer?—A. No, sir.

Q. You simply asked him if he could withdraw the offer?—A. I thought it was worth more money.

Q. Than what he had offered it to the government for?—A. Yes, that was my opinion.

Q. And you did not make him an offer at that time?—A. No, sir; I did not.

Q. Who was it told you that this property would be required for railway purposes; that is, that the government in purchasing it required it for railway purposes with the idea of taking over the Kent Northern?—A. I don't just understand that question.

Q. I understood from that letter that you wrote about the property to the government here, that you said it was worth \$5,000 on account of its being useful for a station and railway purposes in connection with the Kent Northern?—A. Yes, sir, that is right; not with the Kent Northern; if the government took over the Kent Northern.

Q. I mean if the government took it over?—A. Yes, sir.

Q. Who suggested to you that there was a likelihood of them taking it over and that they would require it for that purpose?—A. Nobody suggested to me that they would take it over. It was common conversation with a great many. There was a

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gentleman had an option on it, and the Kent Northern people were very anxious for the government to take it over, and it was by hearing that that gave me that impression.

Q. Who was the gentleman that had the option on it?—A. Well, I don't think that I—of course, I don't know—I understood it was a gentleman by the name of Denton, a lawyer, I think. Who he represented I don't know.

Q. He had an option on the Kent Northern?—A. Yes.

*By Mr. Crocket:*

Q. Of Toronto, isn't he?—A. I don't know. I don't know the gentleman at all.

*By Mr. Carvell:*

Q. That is only gossip you are giving?—A. That is all. I have no means of knowing the business of the Kent Northern railway.

*By Mr. Reid:*

Q. Was it the impression that he had an option for the purpose of selling it to the government?—A. No, sir; I didn't say that.

Q. Was that the impression, that this option he had on the railway was with the object of selling it to the government, and that they would require this property for the station?—A. I don't understand.

Q. You said a minute ago that some gentleman had an option on this railway, and I asked you if it was understood that he had it for the purpose of selling it to the government?—A. Well, I couldn't understand that in any other way only by current report.

Q. The current report was that it was to be sold to the government?—A. Didn't say it was to be sold to the government. The Kent Northern people, as I understand it, wanted the government to take it over, that is if the government wished to do it; they wanted to get clear of the road. They offered to us to sell the road after the option expired.

*By Mr. Carvell:*

Q. That is, they offered it to the firm of A. & R. Loggie?—A. Yes, to A. & R. Loggie.

*By Mr. Reid:*

Q. But this gentleman that had the option on the railway, the current report was that he was purchasing it with the view of selling it to the government?—A. Well, I don't know as that would be just right, because it is purely gossip.

Q. The gossip was to that effect?—A. Yes.

Q. And when you made this report as to the value of the property, you did it taking into consideration that the railway was going to the government?—A. Yes, sir.

MR. CROCKET.—Do I understand Mr. Loggie to say that the gentleman who had the option offered it to the firm of A. & R. Loggie?

WITNESS—No; after his option expired.

*By Mr. Crocket:*

Q. The Kent Northern people offered it, and you declined it?—A. Well, I considered it for some time, and then I asked my brothers what they thought about it, and they said, no, they didn't want to have the looking after a railroad in addition to the business we had. That is our private business, you know.

*By Mr. Reid:*

Q. Did you ever go to any person—Mr. O'Leary or any one else—for the purpose of purchasing this wharf or any other wharf property until this matter came up?—A. Any other wharf property?



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Q. Yes?—A. Why, we have been buying property along the water-front ever since we have been there.

Q. I mean wharfs?—A. I just don't understand.

Q. For instance, the municipal wharf was for sale for some time, wasn't it?—A. I don't know that; I could not tell you that.

Q. The government purchased it for \$1,500?—A. I think so; I understood they did, but the length of time it was for sale I don't know anything about it.

Q. You knew it was for sale for some time; the municipality wanted to get rid of it?—A. No, I didn't know that.

Q. You never heard of it?—A. No.

Q. You never heard anything about it till it was sold to the government?—A. No, I don't remember hearing anything about it.

Q. Did you use it before the government bought it?—A. We have not used it for years, and I don't think teams have been down it for a year or two.

Q. It was there, and you could use it if you wished?—A. I am not sure of that. If it was not in proper use you could not use it.

Q. You never tried to buy that wharf?—A. We did not.

Q. Do you consider the price, \$1,500, was fair for that?—A. Well, I think as far as the municipal wharf goes, \$1,500 was a very low price for it.

Q. What about Mr. O'Leary's? He purchased his wharf for \$1,500; do you think it has advanced in price from the value he paid, \$1,500, and that it is now worth \$8,000?—A. Well, it must have. I don't know what he paid for it.

Q. He swore he paid \$1,500?—A. And he said that was all it was worth.

Q. No, he said that he had spent \$500 on repairs, and it was now worth \$2,000; that is what he said?—A. Was it?

*By Mr. Carvell:*

Q. My friends were asking you about the value of property in Richibucto; outside of the hotel property which you have bought within the last year, has any of this property been purchased within the last five or six or seven years?—A. Along the water-front?

Q. Yes, property you have been describing this afternoon?—A. Well, I don't know. I am not positive of that, when that was purchased, whether any of it was purchased within the last five or six years, except that hotel property.

Q. Did any of those properties which you have mentioned as having purchased have cribwork or wharfs of any kind running on them from the shore out to deep water?—A. No, sir, none of them.

Q. If wharfs capable of being used out to the deep water were upon any of those properties, would they have enhanced the value?—A. Very much, surely.

Q. As a matter of fact would the value of the wharf be very much greater than the value of the land in any case?—A. It would so; the value of the wharf would certainly be of greater value.

Q. Take the O'Leary wharf for instance; which would be greater—the value of the land itself, or the cribwork and ballasting and everything that goes to make up a wharf?—A. The wharf certainly would be the most valuable, because it is only a narrow strip of land, which must have cost a lot of money, till you get out to the deep water. The wharf would certainly be much more valuable.

Q. Much more valuable than the land?—A. Oh, surely.

Q. So that when these gentlemen are talking about the value of land fronting on the river, it is no fair comparison of the value of the wharf?—A. No, sir, it is not.

Q. Take this sawdust wharf; in what does the value of that consist?—A. Well, I would consider the value of that consists in the area it covers, and it is close to the railroad, the frontage on the channel.

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Q. Its proximity to the railroad?—A. Yes.

Q. And would you consider the cribwork in the wharf of any value?—A. Yes, sir, what is there, what remains after being washed away, would be of some value when you went to build the wharf. You could build on that. That would be the foundation.

Q. Is there any ballast there that would be of any value?—A. Well, I would suppose there was.

Q. You have not examined that?—A. No.

Q. The evidence is that ships came in and unloaded their ballast and they say that would be of value, would it?—A. The ballast, undoubtedly it would.

Q. In fact there was evidence that some of it had been removed?—A. Well, I have heard that, but I don't know anything about that.

Q. My friend Mr. Blain asked you a little while ago what documents you had gone over with me since yesterday; can you name any documents that you have gone over with me?—A. There was the dredge contracts and some letters, I think, in connection with it.

Mr. BLAIN.—What dredge contracts were those?

Mr. CARVELL.—I will tell you. There is Loggieville, Bathurst and Dalhousie.

Mr. BLAIN.—They are the firm's dredge contracts with the government.

Mr. CARVELL.—Yes.

Q. And the letters in connection with them?—A. Yes.

Q. Anything else?—A. I think that is all as far as the dredging is concerned.

Q. As to the wharf, were there any papers in reference to that? Were there not a couple of papers there signed by twenty or thirty of the leading people of Richibucto, about this wharf?—A. Yes.

Q. Perhaps you would produce those; take the first one, with reference to the sawdust wharf?

Mr. BLAIN.—What is this?

Mr. CARVELL.—These are some documents that Mr. Loggie went over this morning.

Mr. BLAIN.—Were they among the papers?

Mr. CARVELL.—Yes, they were among the papers. You saw him take them out there.

Q. Did you find it?—A. Yes, there are two.

Q. What do they refer to?—A. They refer to the sawdust wharf, and also to Mr. O'Leary's wharf, that is, as to the value.

Q. And they are signed by how many people—twenty-five or thirty?—A. Yes, twenty-five or thirty.

Q. The leading people of Richibucto?

Mr. CROCKET.—We will see the names before there is any evidence. This is not sworn to.

Mr. CARVELL.—This is not sworn to.

Mr. CARVELL.—I am bringing this out because of the cross-examination of my friend from Peel.

Mr. CROCKET.—This is what Mr. Carvell says it is, simply statement of what this wharf is worth. It is not testimony.

Mr. CARVELL.—I am going to offer it in evidence.

Mr. CROCKET.—Before they go in I want to see them.

Mr. CARVELL.—Most assuredly.

Q. Take the first one here, the statement which you say has reference to the sawdust wharf; generally what is this?

Mr. CROCKET.—If Mr. Carvell is going to offer these in evidence, the documents speak for themselves; but if it is, as I understand from Mr. Carvell it is, an outside statement signed by different residents of Richibucto, putting their value on the wharf, I say it is not proper evidence because it is simply unsworn and unverified.

## APPENDIX No. 2

Mr. CARVELL.—I am going to show you what it is. (To witness). What is this first document about?

Mr. CROCKET.—Mr. Chairman, I submit that is improper. Mr. Carvel has stated he is going to offer it in evidence and I say if it is what Mr. Carvell says, I have a right to see it and make an objection.

Mr. CARVELL.—You are going to see it.

Mr. CROCKET.—I have no objection to any statement going in here under oath, but I do object to Mr. Loggie coming up here and producing letters that he has received from some one on the question in this case as to what the wharf is worth.

Mr. CARVELL.—I am going to show the papers I went over this morning with Mr. Loggie.

Mr. BLAIN.—Are these government papers?

Mr. CARVELL.—No.

The CHAIRMAN.—Was Mr. Loggie subpoenaed to produce all papers in connection with this matter?

Mr. CARVELL.—Yes.

The CHAIRMAN.—Are these papers that were produced under that subpoena?

Mr. CARVELL.—Yes. I told you straight what they are; they are statements signed by twenty-five or thirty of the leading people of Richibucto as to the value of those properties.

Mr. CROCKET.—That nobody has sworn to.

Mr. CARVELL.—Perhaps my learned friend would like to see them. (Handing statements to Mr. Crocket).

Mr. BLAIN.—When were those prepared?

Mr. CARVELL.—Within the last week. They are dated the 23rd February. I am very glad you gave me a chance to use them, because unless you butted in I would not have had a chance to use them. It only shows you what laymen do when they interfere with a case.

Mr. BLAIN.—I know my learned friend butts in with cheques and one thing or another. When I asked the witness a question I did not and could not have had in my mind that this gentleman had brought up some papers and had them here. What I asked him was in reference to papers about what was going on.

Mr. CROCKET.—Just look on them yourself, Mr. Chairman, and see if you think it is fair for an attorney of a court to attempt to offer the like of that in evidence in this case. (Handing statements to Chairman).

Mr. CARVELL.—I have here a document signed by thirty men, prominent people of Richibucto, one of whom is Richard O'Leary, the cousin of the original O'Leary, who tells us what he thinks is the value of the property.

Mr. CROCKET.—I ask the chairman if he thinks this is proper evidence—to have Mr. Loggie come up here and bring a statement that he has got a number of signatures to.

Mr. CARVELL.—I am doing it in response to my friend from Peel.

Mr. BLAIN.—Mr. Chairman, I may say that Mr. Carvell has absolutely misrepresented me, because I asked the witness a question as to what papers in connection with this investigation he had gone over with Mr. Carvell. I had no knowledge of any such documents. My friend says now it was prepared for the occasion and brought up by this witness.

Mr. CARVELL.—I have another one here regarding O'Leary's wharf—the same thing.

Mr. CROCKET.—I am going to ask the chairman, as a lawyer, if he thinks Mr. Carvell, as a lawyer, has a right to put that in as evidence?

The CHAIRMAN.—I think, Mr. Carvell, that this is something that had better not go in?

Mr. CARVELL.—I bow to your ruling. I just wanted to accommodate these gentlemen, that was all. They wanted to get at the papers.



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Mr. BLAIN.—Not the witnesses' papers. We wanted the papers you had gone over.

Mr. CARVELL.—I will give you all the papers in connection with it, so far as I know.

*By Mr. Carvell:*

Q. Now, Mr. Loggie, we will proceed. When you sent the telegram to me regarding the purchase of this O'Leary wharf; did you yourself prepare the telegram? I think you have answered that it was prepared by some other member of the firm?—A. At Loggieville. There is one thing I want to explain to these gentlemen. I don't know this gentleman—

Mr. CROCKET.—That is Mr. Blain, of Peel. He is a Conservative member of the House.

WITNESS.—In case there is any dispute about this, that telegram is dated from Chatham. Now, there is no telegraph office at Loggieville. The telegrams have got to be telephoned to Chatham and sent from Chatham by telegram. I am accounting for that because Mr. Crocket would likely be taking that up and saying that did not come from Loggieville.

Mr. CROCKET.—Has not the Intercolonial railway a telegraph station at Loggieville?

WITNESS.—No.

*By Mr. Carvell:*

Q. Did you, prior to that, or any member of your firm to your knowledge, ever write me or telegraph me about any question of business whatever, or anything about this Richibucto wharf?—A. No, sir, not to my knowledge.

Mr. REID.—He can't speak for other members of the firm.

Mr. CROCKET.—I say, to his knowledge.

WITNESS.—To my knowledge I say, no, sir.

Q. Since the 18th January, when this telegram was sent, have you or any member of your firm to your knowledge ever written or telegraphed me about any matter of business whatever, including the Richibucto wharf?—A. No, sir, I don't think so, not that I am aware of.

Q. Did you or any member of your firm to your knowledge ever receive a telegram or a letter from me at any time in our existence about any matter whatever?—A. No, sir, not that I know of.

Q. Do you know whether I acknowledged receipt of this telegram?—A. I don't.

Q. You never saw any?—A. I didn't see any.

*By Mr. Crocket:*

Q. Did Mr. Carvell report the result of his negotiations to you?—A. Not to me. He may have to Loggieville. I don't know that he did.

Mr. CARVELL.—As I am a member of the committee I do not want to be sworn, but I may tell you that I did not report it to the firm or any member of the firm.

Mr. REID.—Mr. Carvell, did you send to any member of the firm the printed evidence?

Mr. CARVELL.—No, I did not. I never had any communication with this firm in any way, shape or form, in my life. I never saw one of them in my life until I met this man here yesterday; and I will be sworn if necessary.

Mr. CROCKET.—Oh, no, that's all right; we will accept the statement.

*By Mr. Carvell:*

Q. Now, Mr. Loggie, have you or any member of your firm to your knowledge ever intimated to me, either by letter or verbally, that you wished to pay me or that you would pay me, or asked me if I would take money for my services in connection with this matter, of any kind whatever?—A. No, sir.

## APPENDIX No. 2

Q. And has the question of money ever been mentioned between us?—A. No, sir.

Q. When you say that I am your attorney, what do you mean by it?—A. I don't mean attorney; the way that I would interpret that is the same as if I authorized this gentleman, telegraphed him and gave him authority to do a certain piece of work for me; I would consider him my attorney, acting in and for me.

*By Mr. Reid:*

Q. And you would expect to pay him, too?—A. Well, I might or I might not. We have people that acts like that for us and signs documents as attorney that we don't pay.

*By Mr. Carvell:*

Q. Perhaps I can clear this up a little. Are you aware that it would be against the law of the country for me to accept pay from you for any services whatever performed in the House of Commons or before any department?—A. No, sir, I am not.

MR. CARVELL.—Well, I tell you it is a fact.

MR. REID.—So don't offer him any.

WITNESS.—I must say, then that it is a very good job I didn't offer you anything.

MR. BLAIN.—Why?

WITNESS.—Because Mr. Carvell says it is not lawful.

*By Mr. Crocket:*

Q. Did you intend that this should be done in the House of Commons?—A. What?

Q. This proposition?—A. What proposition?

Q. This instruction you gave to Mr. Carvell to buy this from Mr. O'Leary I don't see anything objectionable to it if you went to Mr. O'Leary down street and did it, but certainly if you did it in the House of Commons it would be in violation of the law.

*By Mr. Blain:*

Q. What happened? Did Mr. Carvell act on this instruction?—A. Well, I don't know; I wasn't here.

Q. You have no report?—A. No, sir, I had no report.

Q. As a matter of fact Mr. Carvell did act upon it in the committee here and offered his own cheque?—A. Well, you certainly know more about that than me.

*By Mr. Crocket:*

Q. You mentioned that fact yourself?—A. Which, sir?

Q. You mentioned the fact that you had offered Mr. O'Leary this sum through Mr. Carvell, and that he had declined it; you were the first man that made a statement about that in the committee; you said that in your evidence to-day?

MR. CARVELL.—He saw the report. What is the good of haggling over little things like that?

MR. BLAIN.—But the fact is that Mr. Carvell did act upon those instructions?

MR. CARVELL.—Certainly I did.

MR. BLAIN.—And in the committee he offered his own cheque.

MR. CARVELL.—Certainly I did, and when some of your friends were going to telegraph down to see if I had \$5,000 to my credit I was waiting to see them do that.

MR. CROCKET.—You will put yourself on trial here.

MR. CARVELL.—No; I propose to put myself clear wherever I may be.

*By Mr. Carvell:*

Q. Now, did you read the evidence of Mr. William O'Leary given before this committee in which he states that he wanted to sell this sawdust wharf property to you for some \$800?—A. Yes.

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Q. What do you say to that?—A. I say that it is not true, absolutely not true that William O'Leary offered me that property.

*By Mr. Reid:*

Q. Did he never have any conversation with you about it?—A. No, sir, I don't remember any conversation whatever.

Q. Do you swear he never had any conversation?—A. That is my impression.

Q. But will you swear he never had any conversation with you about this wharf?—A. I will swear as far as I remember that Mr. William O'Leary had no conversation with me about this wharf.

Q. Will you swear you did not have any conversation?—A. He might have. I don't think he had.

Q. He might have had?—A. He might have had but I don't think so.

Q. But you can't remember?—A. I don't remember any conversation whatever.

*By Mr. Carvell:*

Q. You state that you had a conversation with Murray at Kent Junction and told him in words that it was unwise to sell for \$5,000 because it was worth more than that?—A. Yes.

Q. Did you believe that at that time?—A. Yes, that is just what I meant.

Q. Do you believe it now?—A. Yes, sir, I believe it now.

Q. When you made the offer to purchase this wharf from the government at \$5,500?—A. We were perfectly satisfied, if you call that sincere, to have the wharf at that amount.

Q. And would you do so now?—A. Yes, sir, we will do so right now.

Q. Then the government made an offer back to you, or the department did?—A. Yes, sir.

Q. Offering you a portion of this wharf, or the whole of it, except 200 feet on the side next the municipal wharf for \$5,500?—A. Yes.

Q. And you answered that by a proposition containing a few conditions which have been read here and put in evidence?—A. Yes.

Q. Were you sincere in the offer which you made to the government as an answer?—A. We made them that offer, and if they accepted that we were perfectly willing to take the wharf at that price.

Q. And if they do accept it any time in the near future are you willing to carry out the proposition and pay them the \$5,500?—A. Yes, sir, if it is accepted within a reasonable time under the conditions that we named there.

Q. Under the conditions of your letter?—A. Yes.

*By Mr. Blain:*

Q. When did you talk it over with Mr. Pugsley?—A. I never talked it over with Mr. Pugsley. That is not true.

Q. Did you?—A. I never did.

Q. No communication or correspondence whatever?—A. No, sir, none whatever.

Q. Do you know Mr. Pugsley?—A. Not very well acquainted with him at all.

Q. A friend of yours?—A. Well, I don't know what you would call a friend. I will say right here, outside of gentlemanly courtesy we are under no obligations to Mr. Pugsley any more than anybody else.

Q. You have a contract in his department?—A. Yes.

*By Mr. Carvell:*

Q. Does that put you under obligations to him?—A. We are under no obligations to him; I state that positively. We got the contract by public tenders open to the world, we were the lowest tenderer, and I don't think under all this, that I am under any compliment to Mr. Pugsley for any of the tenders. Our tenders were public, and that is how we got the dredging, if that is what you mean.



## APPENDIX No. 2

Q. That is what you mean?—A. This gentleman wants to find out from me about some correspondence or something from Mr. Pugsley.

Mr. BLAIN.—I was just asking you a straight question, and that was all.

Q. Do you still believe that that portion of the wharf is worth \$5,500 under the terms of that letter?—A. Yes, sir, we will take it. That is the reason we offered it. We are perfectly willing to take that wharf at that price under the conditions that we stipulated.

Q. And are you making these offers in order to help Mr. Pugsley out of trouble, or as a business proposition because A. & R. Loggie want the property as a business proposition?—A. We are willing to buy the property. To help Mr. Pugsley out of what?

Q. That is the insinuation—that you are helping Mr. Pugsley?—A. I don't see how we think, or have the idea in our head, to help Mr. Pugsley. I have given every bit of private information about our business here, but I positively refuse to give that information. From information we have got we are perfectly willing to take the whole of the wharf at \$5,500. We are perfectly willing to take that portion of it for \$5,500, from information we have got outside of the Public Works Department or anybody connected with it, as a business proposition, for particular reasons.

Q. Now, just one question more. The statement was made by you this morning—and I think under a misconception of the question—that you had practically gone into the dredging business since Mr. Pugsley became Minister of Public Works?—A. No, sir, I think that is a mistake. If I made that statement I did not understand the question because it is not the fact.

Mr. CROCKET.—Acquire the dredging plant, is what I asked.

WITNESS.—That is a different matter.

Mr. CROCKET.—That is what I asked you, and you said yes.

WITNESS.—I thought so.

*By Mr. Carvell:*

Q. Do you know when Mr. Pugsley became Minister of Public Works? It was in the summer of 1907?—A. I think so.

Q. When did you first commence dredging?—A. I think we first began dredging in 1905.

*By Mr. Blain:*

Q. Did you do any government dredging before Mr. Pugsley was appointed Minister of Public Works?—A. Yes, we did so for two years.

Q. With what government? With any other government except the Dominion government?—A. No, sir.

*By Mr. Crockett:*

Q. The dredging you speak of as having been your dredging, was done at your own wharf at Loggieville in 1905?—A. What do you mean by our own wharf?

Q. The dredging you speak of as having been done in 1905, was not that done at your own wharf at Loggieville?—A. The dredging that we did was along the water-front. Part of it would be past our wharf, and part of it was down at the wharf that the steamboats land at, and part of it would be above our wharf altogether.

Q. But the dredging that you did in 1905 was in connection with the development of Loggieville, and for the development of your business?—A. And the development of the public business, as the public had a wharf there and we were dredging to that. There is a line of steamboats runs down the river, as I understand it, I think that it was through them that the dredging part of it, our dredging with the government was commenced there. They could not go to this wharf and to get that dredging there they have got to go past our wharf.

Q. How much did you get for 1905, do you remember?—A. I can't tell you that.

Q. You had a sort of schooner that you did the dredging with, that you did pre-

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vicious to Mr. Pugsley's time; didn't you fit up a sort of schooner for dredging purposes?—A. We had a steam schooner that we built ourselves, a schooner that cost \$10,000; that is what we took it into stock at.

Q. And you fitted that up for dredging purposes?—A. Yes.

Q. During the last year or two you have acquired dredges?—A. We still use a dredge.

Q. You have the *Lady Grey*?—A. That is the *Gery-Loggie*.

Q. And the *Hayward*?—A. Yes.

Q. You know, do you not, and you knew before you came here, that there was much criticism through Kent county in reference to the purchase by the government of this wharf?—A. I don't know as I did—much criticism.

Q. You knew there was criticism?—A. There has been criticism.

Q. Don't you know that Mr. Pugsley himself stated that Mr. LeBlanc, the member for the county, complained to him that there was criticism on the extravagant price being paid?—A. I don't know that.

Q. I may say that Mr. Pugsley has upon the stand stated that the first intimation was from the member for the county himself; do you know Mr. Lazier, of the Marine and Fisheries Department, of St. John, who was a Kent county man?—A. I am very little acquainted with him. That is the son of Sheriff Lazier.

Q. There was a Mr. Lazier that was acting agent in St. John, of the Marine and Fisheries Department; do you know that Geoffrey Stead himself stated that Mr. Lazier, the agent of the Marine and Fisheries Department, told him that there was much criticism in Kent county about the purchase of this wharf at \$5,000 by the government; did you know that?—A. I didn't know that; never heard tell of it before, that Mr.—

Q. And have you not read the letter here to-day from Mr. Stead, in which the statement is made to yourself or your firm that there was criticism in Kent county, and that is the reason he asked for your opinion?—A. That is right, that is exactly right, that there was criticism—that is what he told me, that there was criticism; they were finding fault or criticism.

*By Mr. Blain:*

Q. Are you a prominent supporter of this government in your county?—A. We support this government. As far as my swearing that I am prominent, I don't do anything of the kind.

Q. Are you an active politician?—A. No, sir.

Q. How active?—A. I don't know on what scale you would gauge that by.

Q. Are you on the committees?—A. No, sir.

Q. Any interest in the success of this government in your county—of the government candidate? Are you not regarded as a prominent supporter of this government, where you live? You are a prominent man there?

Mr. CROCKET.—A dredging contractor.

The WITNESS.—These insinuations are very mean.

Mr. BLAIN.—I am not insinuating.

The WITNESS.—No, but this gentleman, Mr. Crocket, that is in his own line.

*By Mr. Crocket:*

Q. Are you not a dredging contractor with the government?—A. Yes.

Q. Why do you say I am making an insinuation? I call upon you, Mr. Chairman, to ask the witness to take that back.

WITNESS.—No, sir, you are insinuating that the reason I support the government is because we are dredging.

Mr. CROCKET.—I am saying nothing of the kind. You accused me of making an insinuation.

WITNESS.—No, sir.

## APPENDIX No. 2

Q. I ask you upon oath if you are not a dredging contractor under the Public Works Department?—A. Yes, sir I am, I say, too, right on my oath here that that dredging business does not influence us to support the government or not support them.

Q. We will find out about that later on?—A. Yes, but you have been dragging the dredging in very far, I think. Why don't you leave that till the dredging comes up? I will answer the dredging when it comes.

*By Mr. Blain:*

Q. Do you say that you are not a prominent supporter of the government in your county?—A. I don't know, Mr. Blain, on what scale you would gauge.

Q. Any scale, as a prominent supporter?—A. We support this government in the different counties we do business. There is no misunderstanding about that.

Q. In how many counties do you do business?—A. We do business in Gaspe, Bonaventure, Restigouche, Gloucester, Northumberland and Kent.

Q. How do you support them? By instructions to your employees to vote for them?—A. Well, yes, if there was an election we certainly would advise our employees to vote for the people that we thought was right. I don't know why we should not. Surely that is our own private business.

Mr. BLAIN.—No, that is political business; that is all.

A discussion then ensued as to whether the committee should sit this evening to take up the dredging matter. In the course of the discussion Mr. Loggie stated that he was ready to tell all he knew about the dredging contracts, because Mr. Crocket had slandered him.

Mr. Crocket appealed to the Chair, demanding that Mr. Loggie withdraw the expression, Mr. Loggie, having been informed previous to making the remark, that the committee had finished its work for the sitting, the Chairman ruled that if the committee had been in session the language was quite improper and should not have been used. He appealed to Mr. Loggie on this ground and expressed the view that when Mr. Loggie understood that the committee was still in session he would withdraw the remark, although when the committee adjourned he would probably repeat it to Mr. Crocket outside the committee.

Mr. CROCKET.—I don't care whether he says it outside or not.

The CHAIRMAN.—I will rule that it is an improper remark, but if the man refuses to withdraw, I don't know what we can do.

Mr. BLAIN.—Having ruled that it is an improper remark, and that the committee is still in session, you will of course ask the witness to withdraw it.

Mr. CARVELL.—I suppose the witness honestly believes it.

The CHAIRMAN.—I think, Mr. Loggie, that under the circumstances it would be better to withdraw that statement. As I understand, you did not know that the committee was in session, because you asked if we were through.

Mr. LOGGIE.—That was exactly the position.

The CHAIRMAN.—If you had known that we had not concluded our labours, and that you were discharged, you would not have made the remark.

Mr. LOGGIE.—I certainly would not.

The CHAIRMAN.—Under those circumstances I suppose you would have no objection to withdraw?

Mr. LOGGIE.—Not on those grounds.

Mr. BLAIN.—A note will be made that that is withdrawn.

The CHAIRMAN.—On the ground that he made it under a misapprehension.

Mr. CROCKET.—You said in the hearing of this committee that I had slandered you.

Mr. CARVELL.—It is six o'clock, and I am going to ask that this committee adjourn.

Mr. CROCKET.—I want you to state where I have slandered you.

Mr. CARVELL.—I tell the witness not to answer that question. I move that this committee adjourn. I want to know when we are to meet again.



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The CHAIRMAN.—Before we adjourn I would like to ask if the evidence is all in connection with the sawdust wharf matter.

Mr. CROCKET.—Yes, unless Mr. Carvell has anything more to offer I move that the investigation be considered closed, and that the evidence be printed and reported to the House.

Mr. CARVELL.—Mr. Loggie, is there a member of your firm who knows more about the dredging contracts with the government than you do?

Mr. LOGGIE.—Well, I think that the dredging contracts and reports and everything went through Loggieville.

*By the Chairman:*

Q. And who has charge of the Loggieville office?—A. Well, there are two book-keepers and my two brothers there as members of the firm.

Mr. CARVELL.—I don't think there is any man in the firm who knows more than this witness does.

Mr. BLAIN.—How is that?

WITNESS.—I don't know because there is so much done at Dalhousie, so much at Stone Haven, so much at Harrow Gate and so much at Bathurst. These things are out on the seashore, and there are no books kept there. These men send a report of so many yards of dredging. It was decided that the committee should meet at 8 o'clock this evening and proceed with the dredging contract investigation.

Adjourned at 6.15 p.m. till 8 p.m.

# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING A PAYMENT OF

\$726.00 TO JOHN DUMAS RE RICHIBUCTO WHARF

AND ALSO A PAYMENT OF

\$914.12 TO T. O. MURRAY RE RICHIBUCTO  
PUBLIC BUILDINGS



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1909-10





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your Committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereaux River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,

*Chairman.*



## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM, No. 32,

FRIDAY, January 21, 1910.

The Public Accounts Committee resumed at 8. 30 p.m., and proceeded with the consideration of a payment of \$726 to John Dumas in connection with Richibucto Wharf, as set out at V—188 Report of the Auditor General, for the fiscal year ending March 31, 1909. Mr. Warburton presided.

T. O. MURRAY, called, sworn and examined:

*By Mr. Crocket:*

Q. Mr. Murray you acted as conductor on the repairs that were made to the municipal wharf at Richibucto?—A. Yes.

Q. When was that work begun?—A. In September, 1908.

Q. And as conductor you were responsible for the purchase of supplies for the work?—A. Yes.

Q. And the supervision of labour?—A. Yes.

Q. You told us in the previous investigation that you were manager of the Kent Northern railway?—A. Yes.

Q. What was your remuneration as conductor?—A. \$3 a day.

Q. Did you devote all your time?—A. No.

Q. You continued to act as manager of the Kent Northern railway during the whole progress of this work?—A. Yes.

Q. Now I want to call your attention to two accounts in connection with this work that were sent up to the department for the supply of lumber. Are these accounts in your handwriting?—A. Yes.

Q. There are two, the first amounting to \$186 and the second amounting to \$540?—A. Yes.

Mr. CROCKET.—I would like this account in the record. (Reads account.)

Richibucto Public Wharf, Dr. John Dumas, P.O. Address, Richibucto, 1908, November 30.

To 15,500 superficial feet round hemlock logs at least 10 inches at small end and 15 to 21 feet long, delivered at works at \$12 per 1,000 as per tender \$186. Signed J. M. Chalifour for Chief Engineer. Certified prices fair and just, Geoffrey Stead, Resident Engineer. Work performed, materials delivered, measured and received by Thomas O. Murray, Foreman.'

And there is a receipt at the bottom: 'Received from the Department of Public Works in full of the above amount the sum of \$186, 11th day of January, 1909. Signed, John Dumas.' Spelt Damas.

*By Mr. Crocket:*

Q. Is that the signature of this gentleman?—A. I do not know that I have seen his signature very often. I could not swear positively to his signature.

*By Mr. Carvell:*

Q. What is the amount of that?



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Mr. CROCKET.—\$186. The second account is as follows: (Reading).

'Richibucto Public Wharf. Dr. to John Dumas, P.O. Address Richibucto, 1908. October 31. To 45,000 feet hemlock logs at \$12 as per tender, \$540.' And there is the same certificate as on the other account.

*By Mr. Crocket:*

Q. Now, Mr. Murray, is there a man by the name of John Dumas that supplied lumber?—A. Yes.

Q. John Dumas?—A. Well his correct name is Domas Richard.

Q. His correct name is John Dumas Richard?—A. Yes, I understand so

Q. You made this out in favour of John Dumas?—A. Yes.

Q. And you knew his correct name and his correct name is Richard?—A. Not at that time.

Q. Is he not known as John D. Richard?—A. By some he is. He is generally known as John Dumas. I have heard him called that around Richibucto.

Q. But you know that is not his correct name?—A. Yes, I know that now.

Q. Did the money for this account, \$186, come to your hands?—A. I think it came from the paymaster.

Q. To you?—A. No, I think to him.

Q. You say it did not?—A. I think it was paid through the paymaster.

Q. Who was paymaster?—A. Mr. Young.

Q. Of St. John?—A. Yes.

Q. And the second amount, \$540?—A. That came by cheque I think.

Q. To you?—A. It came to John Dumas.

Q. Is that your signature?—A. It came to John Dumas.

Q. And that cheque bears your endorsement?—A. Yes. Mr. Forbes is the man who cashed it.

Q. But the cheque bears your endorsement?—A. Yes.

Q. You say the cheque came to your hands?—A. He was with me at the time he got it cashed.

Q. Where did he get it cashed?—A. Mr. Forbes, Mr. William Forbes.

Q. William Forbes?—A. Yes.

Q. \$540?—A. Yes.

Q. Who is William Forbes?—A. He is the treasurer of the county.

Q. This lumber you purchased from Mr. Richard didn't you?—A. Part of it.

Q. There is 60,000 feet of lumber?—A. Altogether, yes.

Q. 60,500 feet of lumber?—A. Something like that.

Q. And how much did you purchase from Richard?—A. Something like 30,000.

Q. 30,000?—A. Yes.

Q. You made the arrangement with him?—A. In the first place.

Q. And the agreement as to prices?—A. Yes.

Q. What was the price?—A. \$6.

Q. A thousand?—A. Yes.

Q. And the balance of the 60,000, where did you get that?—A. From Mr. O'Leary, Mr. George Robertson and Mr. Deroch.

Q. Is that the same George Robertson that figured in the last case?—A. Yes.

Q. You say you got from O'Leary?—A. Somewhere about 13,000.

Q. Only 13,000?—A. Yes.

Q. Will you swear to that?—A. Yes.

Q. Now, I want you to make a positive declaration as to whether you purchased only 13,000 of lumber for that wharf from Mr. Richard O'Leary?—A. Yes, to the best of my knowledge I got about 13,000 I think.

Q. To the best of your knowledge you got about 13,000 you think?—A. Yes, as near as I remember.

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Q. Do you swear you did not get 30,000 of lumber delivered at that wharf?—A. 30,000? No, sir; I do not think I did.

Q. Will you swear you didn't?

Mr. CARVELL.—Produce the account.

WITNESS.—I do not think I did.

*By Mr. Crocket:*

Q. Answer?—A. All I can account for is about 13,000.

Mr. MCKENZIE.—I do not wish to interfere with the latitude of counsel at all, but there are stages in an examination where we might as well follow the rule. This statement of account is in writing, I presume, in Mr. O'Leary's books, and if it is the intention to contradict him with the books, witness has a right to see them before he makes any positive statement.

The CHAIRMAN.—The witness has declined to make a positive statement.

WITNESS.—If I saw it in writing I will tell you.

The CHAIRMAN.—He has got a right to see it in writing if there is a written account anywhere.

*By Mr. Crocket:*

Q. I want to call your attention to these items of Mr. O'Leary's account against you. 109, can you read that?—A. Yes.

Q. Now, having seen that account, Mr. Murray, will you swear that you got only 13,000?—A. For what year are you speaking of?

Q. Look at the account. I am speaking of the year you were speaking of?—A. 1908?

Q. Yes?—A. Well, I think you will find that what I say is correct. If you will look at that, there is about 13,000.

Q. Having seen that account, will you swear that you got only 13,000?—A. Yes.

Q. And what price?—A. What price?

Q. Yes?—A. \$7 for the hemlock and \$15 for the spruce.

Q. And how much spruce did you get?—A. That is in the boom.

Q. How much spruce did you get?—A. Not quite 1,000 feet.

Q. And \$7 for the rest?—A. Yes; in the boom.

Q. In the boom?—A. Yes, sir.

Q. Did Mr. O'Leary deliver the lumber at the wharf?—A. At his lumber wharf, and then it was taken up to the municipal wharf.

Q. That is the wharf we are speaking of, isn't it—the municipal wharf?—A. He delivered from his lumber wharf up to the municipal wharf, and charged me \$5 for towing it up.

Q. \$5?—A. Yes.

Q. And this account that came to Ottawa made out by you included the lumber that you bought from O'Leary?—A. Yes.

Q. And you put it at \$12 a thousand?—A. Yes, sir.

Q. And you put it in the name of John Dumas?—A. Yes, sir.

Q. Who did not sell it to you for the department?—A. This man agreed to deliver.

Q. Deliver what?—A. Deliver all the lumber.

Q. Had Dumas anything to do with O'Leary's lumber?—A. No.

Q. I am speaking of the lumber you got from O'Leary. Why did you put in a bill against the department at \$12 a thousand for lumber which you bought from Richard O'Leary as part of this work at \$7?—A. Because John Dumas was the man I arranged to get this lumber from.

Q. And that is the only explanation you have to make?—A. In regard to that, yes.

Q. Now, this account you examined here reads: 'Thomas O. Murray, Richibucto. November 16. To Hatchett, 45 cents; 109 pieces of hemlock logs, 12,565 superficial feet at \$7, \$87.96; 12 pieces of spruce logs, 707 superficial feet at \$15, \$10.65. Delivering

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same, \$5. November 28. By cash, Public Works Department, \$103.61 Ditto, \$30.  
To 147 pieces of hemlock.

*By Mr. Carvell:*

Q. What is the date of that?

Mr. CROCKET.—It is the 13th and under the head of November.

Mr. CARVELL.—But it is 1909.

Mr. CROCKET.—Oh, no.

Mr. CARVELL.—It is 1909 in the margin.

Mr. CROCKET.—1908.

Mr. CARVELL.—1909, as plain as you can make it.

Mr. CROCKET.—I am reading it off and it will go in just as it is. 'To 147 pieces of hemlock.'

Mr. CARVELL.—What date are you putting that in for?

Mr. CROCKET.—Just as it is, the 13th.

Mr. CARVELL.—I submit my learned friend is not reading the proper date and I object. Let him put this document in evidence and it will speak for itself. Put in your document.

Mr. CROCKET.—It is 1909 for the month of January and because it happens to be opposite that item my learned friend says it must be 1909.

The CHAIRMAN.—It is pretty hard to make it out. The date before is 23th November and then you have 13 and 1909 written in the margin.

Mr. CROCKET.—And then January.

The CHAIRMAN.—But the first item is 28, 1909, and January below. It is pretty hard to say what it is.

Mr. CARVELL.—The fair way is to put it in the evidence.

The CHAIRMAN.—The proper date must be given.

Mr. CROCKET.—I will put the document in evidence

*By Mr. Crocket:*

Q. You paid some money for the lumber you got from him?—A. Yes.

Q. For this wharf?—A. That is in 1908.

Mr. MCKENZIE.—Is that a copy of the account which was rendered to the witness?

Mr. CROCKET.—We will examine Mr. O'Leary.

The CHAIRMAN.—I should infer from that account that that was January 13, 1909, but it is sort of mixed up.

Mr. MCKENZIE.—Have you got the original?

Mr. CROCKET.—We have got the accounts here.

*By Mr. Crocket:*

Q. Do you remember how much you paid?—A. One hundred and some odd dollars.

Q. You cannot name the particular amount?—A. I cannot remember the particular amount.

Q. Did you get a receipt?—A. Yes.

Q. Did you bring the receipt here?—A. I got a receipt at the time.

Q. You were asked to produce all papers?—A. I have all I got.

Q. Is there any receipt?—A. No.

Q. But you did get a receipt?—A. At the time I paid him I remember getting a receipt.

Q. And you paid him out of the proceeds of this cheque?—A. Yes.

Q. Did you pay Mr. Richard?—A. He paid himself.

Q. He paid himself?—A. He took his money first out of the proceeds of the cheque.

Q. When the cheque was cashed by Mr. Forbes?—A. Yes.



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Q. At the rate of \$6 a thousand?—A. Yes.

Q. And this cheque was made out on the basis of \$12 a thousand?—A. Yes.

Q. You prepared the account and sent it in the name of John Dumas?—A. John Dumas.

Q. Now, you say that in addition to the lumber that you got from O'Leary you got lumber from G. W. Robertson?—A. Yes.

Q. How much did you get from him?—A. About 2,000 square timber.

Q. Is that included in this account?—A. Yes.

Q. At what rate?—A. Twelve dollars.

Q. Twelve dollars?—A. Yes.

Q. Have you got the account?—A. I have not. He didn't give me an account. I certified it on the wharf.

Q. You have no voucher for it at all?—A. No.

Q. You never took a voucher?—A. No.

Q. That is the Mr. G. W. Robertson that got \$2,000 of money in the Richibucto case?

Mr. CARVELL.—I object to that.

*By Mr. Crockett:*

Q. Is that the same G. W. Robertson that you paid \$2,000 to?—A. I do not think I said that. I said I did not know exactly what the amount was.

Q. That is the same G. W. Robertson. Where is he now?—A. In some part of British Columbia.

Q. Who else did you say you got lumber from?—A. From Deroch.

Q. How much from him?—A. About 15,000, somewhere about that.

Q. Thirteen, fourteen or fifteen thousand?—A. Somewhere about that.

Q. What price?—A. \$12, delivered at the works.

Q. A bill for that?—A. No, I have not.

Q. Did you ever have a bill?—A. No, I never did.

Q. Did you ever get a voucher for it?—A. Well, his lumber was certified by the foreman when he came down. I got it from him, the assistant foreman.

Q. You have no writing to produce in connection with that?—A. No, I have not.

Q. Did you buy any lumber from Mr. O'Leary during that year except for this work?—A. No, sir.

Q. And you have observed, have you, that the bills total 60,500 superficial feet?—A. Yes, sir.

Q. What is Deroch's christian name?—A. Sylvester.

Q. Where does he live?—A. Kent Lake, Kent county.

Q. So that your statement is, Mr. Murray, that you got about 13,000 from Mr. O'Leary and 15,000 from Mr. Deroch?—A. 14,000 or 15,000, I do not know just exactly.

Q. And 2,000 from?—A. George Robertson, yes.

Q. And how much from Dumas?—A. 29,000 some odd feet. Within a few feet of 30,000.

Q. And you have no vouchers for this lumber that you say was got from Deroch or from Robertson?—A. No, sir, I have not.

Q. You paid Deroch?—A. Yes.

Q. And you paid Robertson?—A. Yes.

Q. And you paid O'Leary?—A. Yes.

Q. When this cheque was cashed you were with Deroch?—A. Dumas.

Q. Who got the money when it was cashed, when the cheque was presented to Forbes?—A. Dumas did.

Q. And did he hand the balance of the money to you?—A. Yes.

Q. Where did you pay O'Leary?—A. In his office, I think, the same day; probably it was the same day or the next day, or something like that.

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Q. When did you pay Robertson?—A. About the same evening or the next day, I think.

Q. And Deroch?—A. I paid him in the course of a day or two, the first time I met him.

Q. How long after the delivery of the lumber?—A. Shortly after I received the cheque.

Q. How long after the delivery of the lumber was it when you paid Robertson and Deroch?—A. Well, I could not say. I do not know whether I paid them out of the cheque or out of the money, I do not know which.

Q. Paid them out of the cheque of money?—A. The money that the paymaster paid. Whether they got it that way or got it out of the cheque, I am not sure, but I think it was later on that they got the money. I think the sums included in that is Mr. O'Leary's and Mr. Dumas', that is included in the cheque, if I remember rightly.

Q. And the cheque was only for O'Leary?—A. Yes.

Q. The cheque for \$540 was only for O'Leary's?—A. And Dumas', if I remember rightly.

Q. And you tell us now you think you paid these other men out of the payment from the paymaster?—A. Out of the last payment, I think.

Q. \$184?—A. I think that is right.

Q. Didn't you tell us at the outset that that money did not come to your hands?—A. No, I said it came from the paymaster. I said they got it when the money came at the last payment.

Q. You certainly conveyed that impression. The \$184 came into your hands?—A. I think that money was paid to Deroch and Robertson when the paymaster came.

Q. But it was paid to you?—A. If I recollect rightly, it was.

*By Mr. Carvell:*

Q. In the first place, Mr. Murray, about this man Dumas. Have you known this man for very long?—A. Well, quite a number of years.

Q. An intimate acquaintance with him?—A. No.

Q. Any business relations with him?—A. No.

Q. How far did he live from Richibucto?—A. About 12 or 13 miles.

Q. Did he live up the river or in another part of the county?—A. He lives at, I suppose they call it Richibucto village.

Q. Had you any means of knowing whether his name was John Dumas or Richard?—A. Not until the day he drew his cheque.

Q. Have you ever known cases before where a man was known by a name other than his own?—A. Often.

Q. Is it a common thing in parts of Kent county?—A. In some parts it is.

Q. Why is it?—A. One reason is that in the French district there is a lot of people called Richard; John B. Richard, John D. Richard and so on, and I suppose that is why he came to be called John Dumas to distinguish him.

Q. Is the Richard family a large family in Kent county?—A. Yes.

Q. Very numerous?—A. Yes.

Q. Did you ever before know of other families of that kind to be known by other than their family names?—A. I have, yes.

Q. Did you make a trade yourself with this Dumas for the lumber?—A. No.

Q. Who did?—A. William Mackinnon.

Q. Who is William Mackinnon?—A. He is the man I employed to go over to purchase and get this lumber.

Q. He was the man you employed?—A. Yes.

Q. He has since departed this life has he not?—A. Yes.

Q. When did you first learn that this man's real name was Richard?—A. The evening he got his cheque at the post office. He went to sign his name and the postmaster drew his attention to the fact that the cheque was drawn in the name of

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John Dumas. He signed the book John Dumas Richard. That was the first time I knew his name was Richard.

Q. At that time the cheque was there payable to?—A. John Dumas.

Q. How was it endorsed, do you remember?—A. The cheque endorsed? He endorsed the cheque himself.

Q. But by what name?—A. He signed his name in the book John Dumas Richard, but I do not remember how he endorsed the cheque.

Q. Well, the cheque shows for itself?—A. Just John Dumas.

Q. You endorsed it under his name?—A. The postmaster asked me to identify the man as the right man at the time he signed John Dumas Richard an account of the cheque being endorsed John Dumas.

Q. That is the reason your name appears on the back of the cheque?—A. Yes.

Q. And there is no doubt about it that there is a man of that name who lived there all his life?—A. Yes.

Q. I want to know how you happen to charge \$12 a thousand for this lumber when you only paid John Dumas \$6?—A. The agreement Mr. McKinnon made was made with John Dumas at \$6 a thousand delivery at the head of Peter's Pond.

Q. Where is that with reference to Richibucto?—A. It is somewhere in the vicinity of 11 or 12 miles from Richibucto. That is by water.

Q. Tell me how the lumber would get from the place of delivery to your works? Give a detailed account?—A. In the first place, it was hauled out and then shoved out log by log until you get it down far enough. Then it was poled from there and poled, I suppose, to the foot of the boom. Then it was taken out of the boom and hauled up by a team on to the bank and rolled down into the creek again. Then it was floated down to where the raft was, then it was rafted and poled to where a gasoline yacht got it, and then it was towed to Richibucto wharf. The first lot we got around all right, but the second lot they towed broke up on the beach of Indian island.

Q. And what then?—A. The men had to go back and raft it over again and tow it up again.

Q. When was this lumber cut?—A. Last summer, 1908.

Q. Was it green or dry lumber?—A. It was green, most of it.

Q. At the time your man made the agreement with Dumas for \$6 delivery at the Pond, did you imagine it was going to cost \$12 when delivered at the works?—A. He informed me of the fact.

Q. When?—A. The day he made the contract.

Q. He said it would cost that much?—A. And I informed the engineer that.

Q. Who?—A. Mr. Stead, and he told me that it was all right, and to get the lumber.

Q. Was this lumber different from the commercial lumber of Kent county at that time? If so, in what way?—A. Yes, it was in different lengths from the ordinary, 15, 18, 20 and 21 feet long, 10 inches top end.

Q. Could you get lumber of that kind anywhere else than from this man Dumas?—A. No, I could not.

Q. Did you make inquiries?—A. I did.

Q. Did you go to any parts of the county?—A. I went to Curran Bros. and different ones.

Q. And failed to get it?—A. Yes. Some of them asked \$6 a thousand for standing in the woods.

Q. So in all this lumber cut at the woods there would be plenty of work. Take the hemlock; was the hemlock poled?—A. It was poled.

Q. All?—A. Not all.

Q. Had it been cut specially for this work?—A. It was cut there in the woods. The trees were sawed up.



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Q. They happened to be up in the woods and they hauled them up from time to time?—A. Yes.

Q. Did you get a strict account of the cost of cutting this lumber from the places where it was put in the water to the works?—A. I did not, but Mr. McKinnon did.

Q. And what did that account show?—A. The haul including the difference on Mr. O'Leary's lumber totalled up \$12 a thousand. That is the whole thing, \$12.

Q. That is taking in the lumber you got from Dumas, the lumber you got from O'Leary and Robertson and Deroch?—A. Robertson's lumber and Deroch's was bought at \$12.

Q. And that was paid for out of the first lot. Well, taking O'Leary's lumber and Dumas lumber you say that the total cost exactly amounted to \$12 a thousand?—A. Yes.

Q. And you charged the department \$12 a thousand in Dumas' name?—A. Yes.

Q. When Dumas got his cheque was this explained to him?—A. It was.

Q. Tell what took place?—A. Well, he had been over different times for his cheque before it came, two or three times. I told him then the day he got the cheque cashed and he took his money out at \$6 a thousand and handed me the balance to pay the bill in connection with it.

Q. Can you tell me the bills you paid out of the balance?—A. I paid Mr. O'Leary his bill out of it and one or two others. Some few dollars Mr. McKinnon paid himself. The people had'n't come for it and he gave them it. I paid one man \$40 for sluicing and sent Mr. Peter's money by mail. That is for surveying and rafting poles and wedges.

Q. Had you paid any money yourself before that?—A. Only what was there in the town at the time. The men that happened to be there that day.

Q. Let us understand that. You had not paid any of your own money for this lumber until the cheque came?—A. No, I lent John Dumas \$35; he returned it the day he got his cheque.

Q. I notice in Mr. O'Leary's account there is a small lot of spruces, something over 700 feet, for which he charges \$15 a thousand. Did that go in the \$12?—A. Yes.

Q. The whole thing averaged up to \$12 a thousand?—A. Yes.

Q. Out of the money you received, which Mr. Dumas received from the department and you received from Dumas, after paying the actual expenses of getting this lumber at the work, did you have a dollar left for yourself?—A. No, I had not.

Q. So the department only paid the actual cost of getting that lumber at the work?—A. Yes.

Q. I forgot before asking that question to follow up this lumber from O'Leary. You say O'Leary charged \$5 for towing it up from one wharf to another?—A. Yes.

Q. Did you incur any other expense in getting this lumber of O'Leary's from the boom to your works?—A. Nothing with exception of these men who went down to break the raft, pole out of the boom, close the boom up safely again, and pole it up to Mr. O'Leary's lumber wharf. Mr. O'Leary towed it up to the wharf for which he charged \$5.

Q. What was the cost of getting all this lumber up to the wharf?—A. \$13.20.

Q. That would practically make \$8 for the hemlock and \$16 for the spruce. Now O'Leary produces a copy of what purports to be an account. I am not disputing the fact that that represents something on his books. There is an account down to 28th November. In this account it is charged you at 109 pieces of hemlock logs, 12,565 feet at \$7 a thousand. Are these the logs that went into the work?—A. At what date?

Q. The bill is made out 16th November, 1908. I do not suppose Mr. O'Leary claims that is the day the logs were delivered, because I notice on the 28th day of November he gives you credit for the \$103.51. Possibly it was. Did you get these as late as 16th November?—A. I do not think it was that late.

Q. Was it late in the year?—A. I think it was in October.

Q. It might have been in November?—A. I think it was last of October.

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Q. The bill says 15th November anyway. How did the lumber which you got from O'Leary compare with the lumber you were compelled to get up the river?—A. It was practically the same lumber only shorter lengths.

Q. Would it have been possible to have constructed the wharf altogether out of the lumber of the lengths and dimensions which you obtained from Mr. O'Leary?—No.

Q. Why not?—A. Because they were too short. I had to get lumber of that dimensions.

Q. What are the dimensions of O'Leary's lumber?—A. 13, 14 and 15 feet.

Q. And therefore on account of the long lengths required you were compelled to go elsewhere and get other lumber at a higher price?—A. Yes.

Q. And before incurring this extra expenditure you informed Mr. Stead and he told you to get them?—A. Yes.

Q. Mr. O'Leary produces in this same account a further transaction in which it looks to me as though on the 13th day of January, 1909, he charged you with 147 pieces of hemlock logs, making 15,772 feet?—A. How much?

Q. Well it is more than \$7 a thousand, because it makes altogether \$110.40; and on the 7th day of January he gives you credit for cash for the same amount. Have you any knowledge of any transaction of that kind?—A. I only remember getting one lot of lumber that year.

Q. Look at the account and see. They seem to be cross-entries of something, exactly the same amount?—A. I think that lumber was got this year, last season.

Q. It is 1909, it says so. Did you get lumber from him in 1909?—A. I did.

Q. Did that 1909 lumber go in the wharf?—A. Yes.

Q. And is that included in this account that is under discussion now, this \$540?—A. It is not.

Q. That is a different transaction entirely?—A. I thought he was speaking of 1908.

Q. He was. He did try to make out that this was 1908 and that is why I challenged him. You say it is 1909. Then so far as the accounts for 1908 as charged to this account are concerned, these two accounts which have been put in evidence, you say you only got 13,000 or thereabouts from Mr. O'Leary and paid him as soon as you got this cheque?—A. That is all I have any recollection of getting.

Q. I want you to look at this cheque. You observe that this cheque is dated the 21st day of November, 1908. You observe that?—A. Yes.

Q. And it is stamped paid at the Bank of Montreal, December 4, 1908. Would that mean the Bank of Montreal in Richibucto, or is there one there?—A. There is a Royal Bank of Canada.

Q. That means the Bank of Montreal anyway. The cheque speaks for itself. The cheque is dated, Ottawa, November 21, 1908. It is stamped paid Bank of Montreal dated December 4, 1908, and there is something blurred and I cannot say whether it was paid at Ottawa or not, but no doubt it was. I might also point out that between these two dates, namely November 28, 1908, Mr. O'Leary credits you with \$133.61?—A. Yes.

Q. Was this \$133.61 paid out of the proceeds of this cheque?—A. Yes.

Q. And you have explained what Mr. Dumas did, that his money or rather the proceeds of the money which Mr. Dumas received and handed over to you?—A. Yes.

Mr. McKENZIE.—Does that cheque say the money was paid to Mr. O'Leary?

Mr. CARVELL.—The cheque is issued 21st November. Mr. O'Leary received his money 28th November. The cheque was back in Ottawa on the 4th of December. There would be just about time for the cheque to get to Richibucto where Mr. O'Leary got his money.

*By Mr. Crocket:*

Q. You say Mr. Murray, that your name appears upon that cheque as an endorser

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for the purpose of identifying Mr. Dumas to the postmaster?—A. No, to Mr. Forbes, I think.

Q. To Mr. Forbes?—A. Yes. The postmaster asked me if I would identify this man as the right man. I said, yes, he was the man supposed to get the cheque.

Q. You told my learned friend, Mr. Carvell, that Mr. Dumas had come over several times for this cheque to you?—A. To know if it came, not to me.

Q. To know if it came?—A. Yes.

Q. How would he know if it came?—A. The cheques all came in at the one time, everybody else had their cheques. He did not get his.

Q. To whom did he go. You made the statement that he came over several times?—A. He asked me if the cheque had come.

Q. He came to you and asked if the cheque had come?—A. Yes.

Q. Now, what is Mr. Dumas' post office address?—A. I could not say.

Q. Is it Richibucto?—A. I do not suppose Richibucto is.

Q. Don't you know that his post office address is Peter's Mill?—A. Either that or Richibucto village probably.

Q. And you still adhere to that statement that he came over to you several times to see and learn if the cheque had come?—A. Yes.

Q. And you were with Mr. Dumas when he presented the cheque to Mr. Forbes for cash?—A. Yes.

Q. And do you tell me that Mr. Forbes asked you to put your name on that cheque to identify Dumas?—A. I think he did.

Q. Will you swear that he did?—A. I will not swear positively. To the best of my knowledge he did.

Q. To the best of your knowledge?—A. Yes, and I suppose the reason for that was some called him John Dumas and others John Dumas Richard.

Q. Now before you came up here, Mr. Murray, you were aware of the fact that John Dumas Richard had made a solemn declaration in this matter?—A. No, I was not.

Q. Did you hear that at Richibucto?—A. No, I did not.

Q. You say you had no intimation of that?—A. No, I had not.

Q. Well, I will just show you this.

Mr. CARVELL.—I am going to object.

Mr. CROCKET.—I want to question him in regard to the signature of John Dumas.

Mr. CARVELL.—If he wants Mr. Dumas here the government is willing to pay his way and bring him here.

The CHAIRMAN.—I think that is fair, Mr. Crocket.

Mr. CROCKET.—I want to question Mr. Murray in regard to Dumas' signature, that is what I wish to do, because we have two or three documents signed by him.

The CHAIRMAN.—How can he know.

*By the Chairman:*

Q. Do you know John Dumas' signature?—A. No, sir, I do not.

The CHAIRMAN.—Then he cannot prove it.

*By Mr. Crocket:*

Q. You paid him that money for the logs and the money came to your hands, and that is the receipt for it?—A. Yes, that is the receipt. I do not know his signature.

Q. You paid the money, obtained his receipt and are not able to say that is his signature?—A. I will take it for granted. I never saw Dumas' signature before. I had never any dealings with him.

Q. This receipt you forwarded to the department as a voucher for this payment?—A. Yes.



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Q. Now, I want to call your attention to the signature on this. Do you say that is the same signature as on the receipt for the payment?—A. No, not exactly. I did not say that I paid that amount of money there.

Q. I am not asking you about that. This voucher that you forwarded to the department, is it not for this money?—A. No, I did not forward that.

Q. You did not forward that?—A. No.

Q. Did not you tell me you obtained this from him?—A. I did not. I said I obtained the balance of that out of the cheque.

Q. Is not that your signature on that document?—A. Yes, that is when I signed it. We first certify to the number of thousands after delivery.

Q. I want to get an understanding of this. Didn't you make the statement that the money—I think, in the first place, you said that this \$186 did not come to your hands at all; that it was paid by the paymaster?—A. That is right, it was paid by the paymaster.

Q. And didn't you subsequently tell me that it came from the paymaster to you and then out of that amount you paid for the lumber?—A. I think that is right.

Mr. CARVELL.—Paid Deroch and Robertson.

*By Mr. Crocket:*

Q. Which is right?—A. That money, that \$186, was paid by Dumas, and I am not positive whether it was put in my hands or paid direct to him, but I think the money was left with me. I am not sure. I am positive about the cheque, but not altogether positive about that.

Q. You say that is not like the signature which appears on this contract?—A. No.

Q. The signature on the cheque, the name Dumas on the cheque, is spelt with a small 'd'?—A. Yes.

Q. And the voucher for the payment, it is a capital 'D'?—A. Yes.

Q. Mr. McKenzie referred to the fact that there seemed to be a quantity of lumber that was supplied by Mr. O'Leary that had not been paid for according to the evidence you gave?—A. In 1908.

Q. If this lumber, the second lot, was bought in 1909?—A. And the lumber was paid for.

Q. And all the lumber got from O'Leary in connection with that wharf was paid for wasn't it?—A. Yes.

Q. By you?—A. Yes.

Q. You say there was some expense in connection with getting the O'Leary lumber from the place of delivery up to the wharf?—A. Yes.

Q. Was not your first statement that O'Leary charged \$5 for delivering it at the wharf?—A. No, sir, I did not say that. I said I charged \$5 for poling it from his lumber wharf to the municipal wharf.

Q. Are not these accounts in connection with the repairs of the municipal wharf. Is that not where the work was done?—A. Yes.

Q. What else would there be?—A. There was more expense. I had these men sent off to open the boom, work the raft, close the boom and tow them up to the wharf.

Q. And these men were working on this job and were paid by the government for doing it?—A. Yes.

Q. That does not add to the cost of lumber?—A. That is expense attached to it.

*By Mr. McKenzie:*

Q. They were not working on the wharf when they were working there?

*By Mr. Crocket:*

Q. They were paid independently of this account?—A. They were paid by day's work.

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Q. And the getting of the lumber from Richard who floated the lumber down?—  
A. Mr. McKinnon had charge of it.

Q. Was that your bookkeeper?—A. No, he was the man I had working for me.

Q. Working for you?—A. Yes.

Q. Working on this job?—A. Yes.

Q. He was paid by the day's labour?—A. Yes.

Q. And these men for floating the lumber were paid—

*By Mr. Carvell:*

Q. Which men do you refer to?—A. No, there were only two men paid.

*By Mr. Crocket:*

Q. McKinnon had charge for getting the lumber down?—A. Getting it at the wharf and getting it down.

Q. And there is a bill in the department for his time?—A. Yes.

Q. And he was paid for that?—A. Yes.

Q. And other men besides?—A. Two.

Q. Two others?—A. Yes.

Q. And do you say that McKinnon made up a statement, a calculation, to satisfy you as to the average cost of this lumber?—A. He told me what it would cost.

Q. McKinnon?—A. Yes. That is where I got my information.

Q. And he included in that the cost of everything done for which you forwarded the bills to the department.

Mr. CARVELL.—That is not a fair statement.

The CHAIRMAN.—He did not say that.

*By Mr. Carvell:*

Q. I am asking him if he did?—A. No, sir, I did not. All the bills I put into the department were simply for two men's wages from the time they started until they stopped; two regular men by the day.

*By Mr. Carvell:*

Q. What about other expenses?—A. All other expenses charged against the logs were included in the \$12 a thousand.

*By Mr. Crocket:*

Q. Have you got a statement of that account?—A. My vouchers are there.

Q. Get me that statement.

(Witness produces document.)

*By Mr. Crocket:*

Q. Is this in connection with the work on the municipal wharf generally?—A. Yes, from start to finish. The bills are on the back.

Q. I think we have this in another return. These are the names and the men who are employed on the municipal wharf?—A. And in connection with it.

Q. And the pay roll that is what it is?—A. And the accounts are on the back of it.

Q. What has this got to do with the towing of the lumber?—A. These are the accounts; that is the total expenditure of the whole thing.

Q. No reference to this lumber in this at all?—A. Yes, the men paid for the lumber is there.

Q. Where is that; Rory Macdonald, blacksmith work, \$33.44; John Dumas, for logs, \$186?—A. Yes.

Q. That was at the rate of \$12?—A. Yes.

Q. And he got only \$6?—A. Yes, where he delivered them.

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Q. And Sylvester Deroch for stone, \$172.50?—A. Yes.

Q. That does not help us very much. Is that the only entry of lumber you have there?—A. There are two entries I think.

Q. John Dumas for lumber, \$540?—A. Yes.

Q. And he supplied only 29,000?—A. 29,000 some odd.

Q. At \$6, and this is charged at \$12?—A. Yes.

Q. And there is no entry to Robertson?—A. No.

Q. Or any entry for Deroch's lumber?—A. No.

Mr. CARVELL.—That is included in Dumas'.

*By Mr. Crocket:*

Q. You say the whole thing is included in that?—A. Yes.

Q. Did I understand you to say that when you were at the post office you called him Dumas?—A. John Dumas.

Q. And John D. Richard when he received this?—A. Yes. I met him on the sidewalk right opposite the post office.

Q. As a matter of fact was that not addressed to your care?—A. I do not think it was.

Q. Will you swear that was not addressed care of Thomas Murray, Richibucto?—A. I do not think it was. To the best of my knowledge it was not.

Q. Will you swear?—A. To the best of my knowledge.

Q. To the best of your knowledge you will swear?—A. Yes.

Q. How did you happen to be at the post office when Dumas was there?—A. He met me at the sidewalk right opposite; I was going to get my mail.

Q. And you say that the first time you knew his name was J. D. Richard was at that time?—A. That time, yes.

Q. Tell me how that developed?—A. Well, the reason was he signed his name John Dumas Richard in the book which you have to sign for registered letters, and the postmaster drew his attention to the fact that the letter was addressed to John Dumas, and he asked me if that was the correct man and I told him yes.

Q. Did you say you received the letter in the post office?—A. I was right there.

Q. Did he pass it to you?—A. No.

Q. You remained there with him and saw him sign?—A. I saw him signing his name. I was standing right with him.

Q. In the post office?—A. Right by the door.

Q. What did he sign his name for?—A. He had to get delivery of the letter; it was a registered letter.

Q. It was a registered letter?—A. Yes, he had to sign his name in the register book.

Q. Do you remember that it was a registered letter?—A. Yes, they all come registered.

Q. And you stayed with him and went at once to Forbes?—A. I went down with him, yes.

Q. And put your name on it?—A. Yes.

Q. For the purpose you have stated?

*By Mr. Carvell:*

Q. Do you have any distinct recollection about the address on this envelope?—A. No, I am not altogether positive. I think it was, to the best of my knowledge, John Dumas, judging from what the postmaster said.

Q. That is what called your attention?—A. That is all I had to go by.

Q. Is it the custom that the department always send cheques out in registered letters?—A. Always registered.

Q. Did you ever know one coming that was not registered?—A. Not to my knowledge.



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Q. You used the word 'identify' as to the reason for placing your name across the back of the cheque. Was it to identify Mr. Dumas as the proper man or was it to get your own? The trouble was whether the cheque had come to the proper party?—A. I could not just say positively what the reason was now. I had no objection to putting my name on it because I knew the transaction was all right.

Q. You were asked to put your name?—A. I was asked by somebody and I had no hesitation in doing so.

*By Mr. Crocket:*

Q. You knew Mr. Forbes very intimately?—A. Mr. Forbes, yes.

Q. And do you tell me that Mr. Forbes asked you to put your name on that cheque after you identified the man personally to him?—A. I think he did, I had no objections to doing it.

Q. Forbes name does not appear on that cheque?—A. No, I do not think so, in fact, I know it does not.

*By Mr. McKenzie:*

Q. Is there any question, or is it contended that there is any question about the quantities of material you put in that wharf?

A. No.

Q. It is admitted that the amounts and quantities charged by you went into the wharf?—A. Yes.

Q. There is no dispute about that?—A. No.

Q. And then this price of \$12. This was on logs, it was not the price on planks?—A. On logs.

Q. And is \$12 a fair and reasonable price at that place for lumber of that kind?

A. Yes, at that season of the year.

*By Mr. Crocket:*

Q. Where was this cheque cashed by Forbes? In his office?—A. In his office.

Q. What time was it, in the evening or day time?—A. In the afternoon I think.

Q. He had that amount of money ready there had he?—A. Yes.

Q. How was it paid, in what denomination was it paid?—A. I could not say.

Q. In dollars?—A. I could not say in the ordinary dollars I guess, \$5 or \$10.

Q. And Dumas kept out what was coming to him?—A. Kept out his own money, yes.

Q. That is all you have got to say about it?—A. Yes.

RICHARD O'LEARY, called, sworn and examined:

*By Mr. Crocket:*

Do you remember, Mr. O'Leary, selling some lumber to Mr. Murray for the municipal wharf?—A. Yes, I sold Mr. Murray some lumber last year for the municipal wharf, 1908 I mean to say.

Q. You might just look at your books and state to the committee the quantity of lumber that was sold to him for the wharf?—A. On the 20th day of October, this is the original entry in the day-book, there was sold to Mr. Murray 109 pieces of hemlock logs, 12,565 superficial feet, at \$7. 12 pieces of spruce, 707 superficial feet, 28 to 32 feet long, at \$15, \$10.65.

*By Mr. Caruell:*

Q. These are not the same dates at all. I am surprised.—A. It is the date in the day-book.

Q. What is the date?—A. 20th October, 1908.

Q. This is November 16. It is a different transaction altogether?—A. And on

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November 13th of the same year 1908, 147 pieces of hemlock logs, containing 15,772 superficial feet at \$7 per thousand, \$110.40.

*By Mr. Crockett:*

Q. Was that all delivered at the municipal wharf?—A. No, the first lot of 12,565. That would be 13,272 feet. There is a charge of delivering at the municipal wharf of \$5, and in the second lot on the 13th November there is no charge for delivering at the municipal wharf, so I presume Mr. Murray paid that charge himself. The lumber was all for the municipal wharf.

Q. At what rate?—A. At \$7 a thousand for the round hemlock and \$15 for the spruce, 28 to 32 feet.

Q. How much does that make in all?—A. 29,044 superficial feet.

Q. 29,044 superficial feet and you heard Mr. Murray say to-night that Mr. Richard had supplied?—A. 29,000 and some odd.

Q. The two altogether making 60,000?—A. 58,000 some odd superficial feet.

Q. Did Mr. Murray arrange personally for this with you?—A. Personally.

Q. Did he state to you it was for the municipal wharf?—A. He did. I see one of the entries is marked public wharf.

*By Mr. Carvell:*

Q. Which entry?—A. The entry of 12,565. 707 is marked public wharf. The first entry is in my own handwriting. Mr. Murray told me it was for the public wharf. He paid the first lot and telephoned me to see if he could get a second lot and I told him he could get them. He paid me for the first lot on the 21st day of November \$103.61 for the logs, and he paid me on the same day for some coal \$30. That is on the 28th November, 1908, and on the 7th January, 1909 he paid me for logs got in November, \$110.40.

Q. The last payment is in January?—A. The last payment is on 7th January, 1909.

Q. And is entered for logs got in November?—A. Got in November.

Q. That was November, 1908?—A. November, 1908.

Q. Did you sell him any lumber in 1909 for the municipal wharf?—A. Not a stick in 1909.

Q. Did you know John D. Richard?—A. I know John Richard very well.

Q. He is pretty well known?—A. He is a well known man, about 75 years of age. Everybody in the vicinity knows him.

Q. Lived there all his life?—A. As long as I can remember he has been living there.

Q. You state, as an old resident of Richibucto, that he is known by practically everybody?—A. John D. Richard is a well known man.

Q. How far is Peter's Pond from Richibucto?—A. About six miles—five or six miles.

Q. You heard Mr. Murray's statement as to the cost of driving lumber from Peter's Pond to Richibucto?—A. I say it is absolutely wrong. It cost not \$6 to bring the logs from Peter's Pond to Richibucto.

Q. Have you brought logs to Richibucto?—A. Not myself. They are delivered at my mill and the price paid this year, the highest paid this year, is \$6 per thousand superficial feet. It is a very short distance from the municipal wharf, and that is for spruce. Hemlock would be higher than spruce.

Q. Did you know that Mr. Murray was getting logs from Demar?—A. I did not know who he was getting them from.

Q. At the time you did not know?—A. I only know he came to me and wanted logs delivered to the wharf, and I sold to him at \$7 a thousand.

Q. And you were paid for them?—A. And paid at the right price. I would have sold all I had to him at that time for the same money.

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Q. Can you give any evidence as to the signature?—A. I have seen John D. Richard's signature. I do not believe that is it. I have seen it, and I do not think that is it.

Q. Compare it with the signature on the payment voucher?—A. I would not think that the same party wrote the signature in both places. That is the same party signing this that endorses the cheque.

Q. Mr. Murray himself stated that the two signatures were not the same?—A. I have heard him state it.

Q. You know Mr. Forbes?—A. I know Mr. Forbes very well.

Q. He and Mr. Murray are very intimate friends?—A. They are very friendly, I think.

Q. Forbes has not endorsed it?—A. Mr. Forbes has not endorsed the cheque, and I would make the statement, having been a bank clerk——

Mr. CARVELL.—I object.

The CHAIRMAN.—You cannot give that, Mr. O'Leary.

*By Mr. Carvell:*

Q. When were those logs cut and put in the stream—last year?—A. No, last winter.

Q. Delivered in the winter time?—A. Delivered in the summer time.

Q. What time in the summer?—A. Round about July.

Q. Put in the stream?—A. Delivered at my mill.

Q. I am not asking you that?—A. You asked me where they were delivered.

Q. You are such an expert witness you do not wait until questions are asked. I asked when they were cut and delivered in the stream?—A. They were delivered at my mill in the summer.

Q. I am not asking you that. When were they put in the stream?—A. In the winter.

Q. When were they driven?—A. In the spring.

Mr. CARVELL.—I want to call Mr. J. D. Irving.

Mr. J. D. IRVING, called, sworn and examined:

*By Mr. Carvell:*

Q. Where do you reside?—A. Buctouche, Kent county.

Q. What is your occupation or business?—A. Lumberman and merchant.

Q. How long a time have you been in the lumber business and general merchandise?—A. Since I have gone into the lumber business? Twenty-six or 27 years, but I was in the business before I went to Buctouche.

Q. All your lifetime?—A. Practically.

Q. Did you deal in large quantities or small lots?—A. Three or four million a year.

Q. Do you know Richibucto river and the locality around it?—A. I have been on it in the winter time.

Q. Do you know where this Peter's Pond is?—A. Yes, I know where it is.

Q. How far from Richibucto?—A. I am not prepared to say, I could not say exactly. I never was by water, I have been by road but never by water.

Q. Were you handling hemlock lumber in the summer of 1908?—A. At the mill, yes.

Q. You were handling lumber at the mill?—A. Yes.

Q. What would be a fair price for lumber ten inches at the top end. 15, 16, 17, 20 and 21 feet in length delivered at Richibucto wharf?—A. Would that be logs cut in the winter time or cut in the summer?



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Q. Cut in the summer, as described here?—A. I might say that I took a contract this summer myself at \$13 a thousand.

Q. Did you make any money out of it?—A. I didn't, I lost money.

Q. Did you have to bring them in?—A. I had to raft them, deliver them at Buctouche about the same distance.

Q. Do you know of other parties who handled about these dimensions in 1908?—

A. No, I could not say.

Q. Did you know anything about a man named Rosenberry at Chatham who delivered logs at Moncton?—A. I heard of him delivering some there.

Q. Did you know what the price was?—A. I could not say, I have heard.

Mr. CARVELL.—I thought you might have knowledge yourself.

Witness discharged.

GEOFFREY STEAD, called, sworn and examined:

*By Mr. Carvell:*

Q. You are the resident engineer on the north shore of New Brunswick for the Department of Public Works?—A. I am.

Q. Do you know anything about the repairs to the Richibucto wharf in the summer of 1908?—A. I do. The work was under my charge.

Q. Do you know anything about Mr. Murray obtaining lumber for that work?—A. Yes, I knew of it.

Q. And you know where he had to get it. In the summer time wasn't it?—

A. The work started quite late in the summer.

Q. Did he have any conversation with you about the cost of this lumber?—A. He had. He expected first to be able to get logs at \$10.50 a thousand from some place some distance up the river, and he went up the river as he explained to me, and found that these logs were not suitable. They were old logs, two or three years old, and rotten, and he would not have them, and I told him not to take them. He told me then that he could get the logs for \$12 a thousand and I told him that that was a fair price for lumber delivered in the summer. I told him of course, to get the best price he could.

Q. Now do you know of any other logs, hemlock logs or practically the same dimensions that were delivered at other works along the north shore of New Brunswick during that summer?—A. Yes, at Lower Newcastle on the Miramichi, we bought a quantity of logs about that time. I paid \$12 a thousand for them. I do not think they were quite as long as I instructed Mr. Murray to get.

Q. Any other places?—A. A quantity of hemlock was delivered in Chatham at \$12.50 a thousand.

Q. And Chatham is on the Miramichi river?—A. Yes.

Q. It is a large river extending back in the country, how far?—A. Right through to York county, about 150 miles probably.

Q. Do you know of any other lots of hemlock logs of those dimensions sold in that year?—A. We bought from different places, but I do not remember any specific case just now, but I would say that that was a fair average.

Q. You are speaking about the logs that the department bought?—A. Yes.

Q. Do you know of any cases where contractors bought logs during that year?—A. I understood that a contractor at Cape Bald brought down logs in the autumn to Buctouche at \$10.50 a thousand without being delivered.

Q. So from this information which you had what do you say as to the price paid for those logs at the Richibucto wharf?—A. I consider it was a fair price for logs at that time of the year.

Q. Had you any correspondence with Mr. Murray on this subject?—A. Mr. Murray—13004—2½

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ray wrote me a letter explaining about the first offer which he had expecting to get logs at \$10.50 and saying that they were not fit to use.

Q. Perhaps we might as well have it?—A. Here is the letter.

Q. Just read it please.

WITNESS (reading):—

‘The hemlock lumber tendered for by William Roch is three years old and all sap rotten and I have refused to take delivery of same. I have arranged with John Demas for the hemlock lumber required at \$12 per thousand delivered, all good sound lumber, cut this season, nothing less than 9 inches at the small end and nothing less than 15 feet in length. I am going to make the wharf 30 feet in width. Mr. Hains informs me the logs will come in better at 30 and 28. We have taken most all the ballast off and start to-day to tear the wharf apart. Trusting what I have done so far will meet with your approval, I remain, yours truly, T. O. MURRAY, foreman.’

Q. That is to say the logs would fit better with the wharf two feet wider. Did you answer that letter?—A. No, I did not answer it; I was so busy.

Q. You had a telephone conversation?—A. I had approved of that in terms of that letter.

*By Mr. McKenzie:*

Q. What sort of work was this, the building of a new wharf or the repairing of an old?—A. It was repairing or rebuilding the approach to the municipal wharf.

Q. Did you make out an estimate of the probable expense of the work that was to be performed?—A. Yes.

Q. Did you submit the estimate to the department?—A. Yes.

Q. Was this work performed by day's work?—A. It was performed by day's work.

Q. The government supplying the material?—A. The government supplying the material, yes.

Q. How does the ultimate cost of the material correspond with your estimate?—A. It comes to about the same. The wharf was in the first place 28 feet wide and it was widened to 30 feet, which has made the cost a little more, but it has not been very far from the estimate.

Q. Supposing when you prepared your estimate you had known it was to be the width it ultimately turned out to be what do you say as to your estimate with regard to the price of lumber?—A. It would have been about the same.

Q. Then what the lumber cost, purchased under the supervision of Mr. Murray, was not a surprise to you?—A. Oh, no, the lumber was estimated at about that price.

Q. Did you have an opportunity, or was it particularly your duty to superintend the different quantities that went into the wharf?—A. No, I could not tell that, I could not as a general rule check the quantities.

Q. Are you in a position to tell the committee whether or not the quantity you estimated went into the wharf?—A. No, I am not. I could find out I suppose, but I am not in a position to say.

Q. Are you in a position to say whether the wharf was built according to the plan you prepared?—A. It was built according to my instructions.

Q. You prepared a plan?—A. I prepared no plan for that work. There were so many works going on it would have been impossible. But the instructions were particular enough, it did not require a plan.

Q. What kind of work was it?—A. It was plain cribwork.

Q. Then you are to some extent responsible I presume, to the department for what work of this kind will cost?—A. Yes.

Q. And do you regard this work as having been executed at a reasonable cost to the department?—A. Yes, at a reasonable cost.

Q. There is no complaint from you as to what this material cost?—A. No.

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Q. You have no reason to believe, or do you suspect, that any timber was charged to the department which was not put into this wharf?—A. I have no reason to suspect that.

*By Mr. Meighen:*

Q. Do you mean to say that you had so many works going on that you could not prepare the usual plans?—A. It is not our custom to prepare plans for our works where there is no necessity for them.

Q. Is it your custom to prepare plans for such works as this?—A. No, not at rebuilding work.

Q. So that if you had had lots of time you would not have prepared the plan?—A. I might, probably I would not.

Q. At this time there was a great stress of work being done by the government?—A. There was and several important plans which were asked for were delayed very much.

Q. What time was that?—A. September.

Q. September, 1908?—A. Yes.

*By Mr. Crocket:*

Q. Have you got the telegram of which that is a copy?

Witness reads:—

'Telegram from the Chief Enigneer's Office, Public Works Department, Ottawa, August 24, 1908. To Geoffrey Stead, resident engineer, Chatham, N.B. Minister authorized that work on public wharf at Richibucto be started by day's labour. Repairs not to exceed \$2,500. Also start work on Richibucto breakwater by day's labour not to exceed \$4,500 and on Richibucto Cape breakwater wharf by day's labour to the extent of \$5,000. Please put work in hand immediately.'

Q. Who is it signed by?—A. The chief engineer.

Q. And it was in pursuance of that telegram that these works were proceeded with at that time?—A. Yes.

Q. This municipal wharf being one of them—A. One of them.

Q. What is the date of that telegram?—A. 24th August.

Q. Now with regard to this letter. I do not know that you read the whole letter did you?—A. Yes.

Q. Did you read the date of it?—A. No, I did not read the date, September sometime it was. Richibucto, September 25, 1908.

Q. And in it Mr. Murray says:—'The hemlock lumber tendered for by William Roch is three years old, and all sap rotten, and I have refused to take delivery of same. I have arranged with John Demas for the hemlock timber required at \$12 per thousand delivered, all good, sound lumber cut this season, nothing less than 9 inches at the small end and nothing less than 15 feet in length. I am going to make the wharf 30 feet in width. Mr. Hains informs me the logs will come in better at 30 than 28.' What is it?—A. I explained that the logs would fit better the wharf at 30 feet.

Q. (Reading):—'We have taken most all the ballast off and start to-day to tear the wharf apart. Trusting what I have done so far will meet with your approval, I remain, yours truly, T. O. Murray.' So that on September 25, 1908, Mr. Murray wrote to you that he had refused to take logs from Deroch.

*By Mr. Carvell:*

Q. William, what is his name?—A. Deroch.

Q. Is that the Deroch whom he mentioned in his evidence—A. I cannot say. I have met one Deroch; I do not know whether I have met others or not.

*By Mr. Crocket:*

Q. He wrote you informing you that he had arranged for the lumber with John Dumas at \$12 a thousand?—A. Yes.



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Q. You heard him to-night state that he had arranged it at \$6 a thousand?—A. Yes, I heard the whole evidence to-night.

Q. And you heard him state that he had arranged and had bought from Mr. O'Leary a portion of this lumber at \$7 a thousand?—A. Yes.

Q. And sent the bill to the department in the name of John Dumas?—A. Yes.

Q. As resident engineer of the department is that regular and proper? Do you certify that Mr. Stead as proper conduct on the part of a conductor of a public work?—A. It has been sometimes done where a number of suppliers will arrange to put in one bill for the whole supply, although as a rule, I would rather the bills came in separately. I only remember one case when there were 50 or 60 suppliers of small lots of stones, and there were so many men on the work, perhaps not 50 or 60, but at any rate a large number, that I asked them if they would not get together and have one put in the account. That is the only case.

Q. You have lost sight of my question. As resident engineer of the department, do you say that is honest proper conduct on the part of a conductor of a public work?—A. Well, if the lumber only cost what they paid for it there is no dishonesty in that.

Q. You have heard the evidence here to-night and I am asking you whether that which has come before you to-night is proper and honest conduct on the part of a conductor of a public work?—A. There are two questions there.

Mr. CARVELL.—I do not think my learned friend has any right to ask any official of this department to pass judgment on what is honest and proper on the part of the department. Whether the witness says that is a proper course of conduct or not is, I submit plainly as possible, none of his business. It is for this witness to decide.

Mr. CROCKET.—That is just the question exactly. If it were not his business it would be different.

Mr. CARVELL.—You are asking for his opinion.

Mr. CROCKET.—Mr. Stead is a resident engineer of the department, responsible to the department for the proper conducting of this work, and I am asking him, in his capacity as resident engineer, and one who has certified to these things as fair and reasonable.

The CHAIRMAN.—I think if we get the facts we can come to the conclusion ourselves.

WITNESS.—I would not say, I would not consider it honest if the department had paid for what they had not received. That is only natural, of course.

*By Mr. Crocket:*

Q. Would you consider it honest for the department to pay \$12 for lumber through the conductor, for lumber for which he had paid \$7?—A. It would not be if he got the difference, but if the lumber cost \$12 it would be honest.

Q. You heard the statement distinctly to-night?

Mr. CARVELL.—My learned friend is again asking an improper question.

*By Mr. Crocket:*

Q. You heard the statement to-night made by Mr. Murray that he bought a certain quantity, it doesn't matter how much of this lumber, from Mr. O'Leary at \$7 a thousand, and that there was no additional expense for the delivery of the lumber.

Mr. CARVELL.—I submit it is not a proper question, because what he says did not happen.

The CHAIRMAN.—What Murray said is that taking all the different amounts together, that which he got from O'Leary and other people, the average came to \$12.

Mr. CARVELL.—My learned friend is incorporating in this question something that is not true and did not take place, because Mr. Murray distinctly stated he bought at \$7 a thousand and paid the balance of \$5 for getting it delivered.

The CHAIRMAN.—You are quite right, I think. He stated that for the first lot

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of lumber he got from O'Leary he paid \$5 for towing it up. The next lot he bought himself.

MR. CARVELL.—No, he does not say anything about the next lot at all. Mr. Murray says the next lot is not in this account at all, and he cannot prove it for this account was only up to October 31, and this is in January.

MR. CROCKET.—He said the men who brought it down were men who were employed upon the work and were paid.

MR. CARVELL.—That is not in this thing at all.

*By Mr. Crocket:*

Q. What do you say about that?—A. About what?

MR. CARVELL.—I am going to object to this question, because it obtains a statement of fact, something which is not true. I want my learned friend to change his question.

*By Mr. Crocket:*

Q. If it be the fact, if it was the fact that Mr. Murray bought this lumber from Mr. O'Leary at \$7 a thousand and charged \$5 for towing it to the municipal wharf, and that any other expenses that were incurred in connection with it were paid by the government to the men who were upon the work, what do you say of the conduct of the conductor asking and receiving from the government \$12 a thousand?

MR. CARVELL.—Now, Mr. Chairman, I submit again that even in this hypothetical question he is not confining himself to the facts. He says if it be the fact that this lumber cost \$7. He knows it cost more than \$7 and how many times have I to tell him so.

THE CHAIRMAN.—In making up this account this man Murray says he made it up on the general average of \$12 which he says it cost. O'Leary's lumber with the others, and including a small quantity of spruce. That is what his evidence says.

WITNESS.—I understand that the lumber, O'Leary's lumber was short lumber. I have heard lately it was short lumber and the other was longer lumber.

*By Mr. Crocket:*

Q. I am not speaking of what the lumber was worth. I am speaking of what he paid for it. Is it the practice of the department in your district to buy lumber from conductors and supplies from conductors?—A. No, it is not, only on very special occasions.

*By Mr. Meighen:*

Q. Before elections?—A. Not before elections either. If we could not get them otherwise at a reasonable price we have on special occasions bought them from the conductors, but it is very seldom and we do not encourage it. Our instructions are against it.

*By Mr. Crocket:*

Q. Against the practice of conductors putting in any supplies for works upon which they are engaged?—A. Yes.

Q. You spoke of a conversation you had with Murray in which the cost of the lumber was discussed. When did that conversation take place?—A. Just before I got that letter, and the conversation by telephone was similar to the first part of the letter, at least I think so.

Q. What instructions did you give him in reference to it?—A. I told him in the first place to get the lumber as reasonable as possible and I believed that \$12 was the lowest price he could get it for. I told him that was a fair price for lumber at that time of the year.

Q. So that before these bills came before you for certification you had already told him that \$12 would be a fair price?—A. Yes, that would be so.

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Q. That is the amount he put in and the amount he afterwards certified?—  
A. Yes.

*By Mr. Meighen:*

Q. Did you take any pains to find out whether or not that lumber had cost him \$12 at the place of delivery?—A. No.

Q. Was it not your duty as resident engineer to do so?—A. We have to trust the foreman.

Q. You have to trust him?—A. Yes.

Q. Have you before you any evidence that it cost him \$12 at that point?—A. No.

Q. Further than his own statement?—A. I did not know anything about that transaction until now, well not now but within the last week or two. I had simply the accounts which came in at the price which was a usual price for lumber delivered at that time. The foreman certified the amount, I certified the price as correct, and forwarded the account as I had endorsed all others.

Q. You have heard the explanation given that lumber was given at varying prices and that the whole averages up to \$12?—A. Yes.

Q. Will you take the documents that Mr. Murray has brought here and see if you can figure out how he arrived at \$12?—A. There are no documents here.

Q. So far as you are concerned we have nothing to show that the price was \$12?—  
Mr. CARVELL.—You have Murray's oath.

*By Mr. Meighen:*

Q. That is all?—A. Yes.

Q. You consider that the statement of your foreman without vouchers, without accounts or documents of any kind, is sufficient justification for you as a public servant to pass that account?—A. That is assuming a wrong thing.

Q. Am I assuming more than is true?—A. I will leave that to the Chairman.

Q. Have you anything more than Mr. Murray's statement?

Mr. CARVELL.—This witness is not on trial. My learned friend has a right to ask this witness anything he wants about the price of those logs. I do not think he has a right to ask a civil servant his opinion as to questions of policy or anything of that kind at all.

The CHAIRMAN.—This witness, according to the evidence, says he has had an account rendered him for all this stuff, and it has been certified by the foreman to be correct. He says now it was an ordinary price, a fair price for the lumber at that time, and when this account came in certified by the foreman as being correct, and as he himself believed to be a fair price, he certified the whole account as correct.

WITNESS.—I certified the price; I did not know the qualities.

Mr. MEIGHEN.—The only divergence I would suggest is that instead of having an account certified to there is no account at all.

The CHAIRMAN.—There is an account here.

Mr. CROCKETT.—There is a false account.

The CHAIRMAN.—It may be false or not, but this man cannot know whether it is false or not.

*By Mr. Meighen:*

Q. Having discovered that Mr. Murray did not pay \$12 a thousand and that there are no accounts before you to show the difference, do you consider it your duty to further investigate?—A. The Public Accounts Committee discovered that and they are investigating it.

Q. But so far as you are concerned you are quite satisfied?—A. It has not been brought to my notice officially as to whether I shall investigate it or not.

*By Mr. Crockett:*

Q. In this bill the expression 'as per tender' is used?—A. Yes, as per tender.



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Q. Was there any tender issued in connection with that?—A. It was only a verbal tender. Well, I do not know about that; I should not say that. But Mr. Murray wrote to me that that was the best price he could get, which is the usual thing for a foreman to do. I did not get written tenders in.

Q. Having received this letter of September 25, and having this bill before you in the name of John Dumas, did you think when you certified that account that the prices were fair and reasonable, that that was \$12 paid to John Dumas?—A. I thought it was all paid to John Dumas; I did not know anything to the contrary. I had no ground to think anything to the contrary.

Q. And your belief was that Mr. Murray was paying John Dumas \$12?—A. Yes.

Q. And you heard him to-night say he paid him only \$6?—A. I heard the evidence to-night, yes.

*By Mr. Pugsley:*

Q. Were there any other charges?

Mr. CARVELL.—That has all been explained.

*By Mr. Pugsley:*

Q. Your attention was called to a telegram from the chief engineer directing you to proceed by day's work with these three different wharfs?—A. Yes, the Richibucto wharf, Richibucto breakwater and Richibucto cape breakwater wharf.

Q. From your knowledge of the works were they such that it would be better in the public interest that they should be done by day's work than by public contract?—A. Richibucto wharf could not be done by contract at all.

Q. How about the other two?—A. They could have been done either way. At Richibucto breakwater they could be done either way.

Q. In the public interest could they be done as well by day's work as by contract?—A. They could be done just as well.

Q. The telegram shows you are limited as to expenditure in each case?—A. To a certain sum.

*By Mr. McKenzie:*

Q. My learned friend was making a point of the fact that Mr. Stead thought he was certifying the \$12 a thousand to be paid to Dumas. What you really were certifying was \$12 a thousand for the material that went into the wharf?—A. Yes.

Q. Who got the money was immaterial to you except that it was for material that went into the wharf?—A. Yes.

*By Mr. Crocket:*

Q. In reference to the minister's question as to the advisability of doing this work by day's work in preference to the contract system you had made an estimate of the cost of that had'nt you?—A. Of which?

Q. All the repairs of the municipal wharf?—A. Yes.

Q. And your estimate was \$11,500?—A. Yes.

Q. And do you say that that is the most advantageous way of doing a contract amounting to \$11,500?—A. It would be almost impossible to do that work by contract. It is very difficult to make a plan. You cannot tell where you will land.

Q. Why is it? Is it because of the difficulties or because of your inability or that of any engineer to make a plan of the repairs to a wharf?—A. Only those who have experience in it can tell the difficulties, but if you saw any of those old wharfs you would understand the difficulty at once.

Q. There was a specification as to the extent of the addition to the wharf?—A. There were instructions as to the manner in which it was to be done.

Q. Your estimate was \$11,500?—A. Yes.

Q. Is that work still in progress?—A. It is not completed yet.

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Q. It was started in 1908 and there was over \$2,500 expended?—A. Yes.

Q. It was continued last year?—A. Yes.

Q. How much was expended last year?—A. \$3,000, I think.

Q. Is Mr. Murray still conducting it?—A. Yes.

Q. Was last year and is still?—A. Until new instructions.

Q. He was until the close of this season?—A. He was until the close of this season.

Witness discharged.

Mr. PUGSLEY.—I was going to ask the indulgence of the committee to call Mr. Waterbury in the matter of the Richibucto sawdust wharf. Mr. Waterbury is the agent who negotiated with Mr. O'Leary for the right of way for the sewer, and I simply want to ask him two or three questions.

The CHAIRMAN.—I do not think there is any objection to it.

DAVID H. WATERBURY, called, sworn and examined:

*By Mr. Pugsley:*

Q. You are connected with the Department of Public Works are you not?—A. Yes.

Q. What is your position?—A. General supervisor of the buildings for the Public Works Department.

Q. As such you report to the chief architect?—A. Yes.

Q. You have nothing to do with the engineer's department?—A. Nothing at all.

Q. How long have you occupied that position?—A. Nine years or about ten.

Q. Now do you remember in the year 1903 going to Richibucto in connection with the public building there and having your attention called to the construction of a sewer which was being dug across Mr. O'Leary's property?—A. Yes.

Q. Was the sewer under construction when you went there?—A. I found that they had one across the street.

Q. Was the sewer under construction when you went there?—A. I found that they had one across the street.

Q. Did you see Mr. O'Leary?—A. I asked Mr. O'Leary about it.

Q. Did he complain about the building of that sewer?—A. I had to arrange to pay him for cutting logs.

Q. Did you see the logs that were cut?—A. Yes.

Q. Were they heavy timbers?—A. 18 to 20 inches square.

Q. Apparently sound timber?—A. Yes.

Q. What did Mr. O'Leary speak of these timbers as being?—A. Wharf timbers.

Q. And he complained very much of the cutting of these timbers?—A. Yes.

Q. I observe that there is a bill that was made out: 'Richibucto, N.B., October 16, 1903, to right of way for sewer,' and your certificate in October—that was for \$100. Was the matter settled then or did it run on for some time?—A. I asked Mr. O'Leary to make his account out for the right of way and for the cutting of the logs which he seemed to think was the largest part of the account and he said he would charge \$100, and I certified the accounts and sent them to the department.

Q. Well, the matter came up again in April, 1904. It was not paid until the spring?—A. Until April.

Q. You were up in Richibucto again in April, 1904, were you not?—A. Yes.

Q. Mr. O'Leary states that he made a verbal offer to you and when he was on the stand previously he stated that the offer was to sell his whole property to the government for \$1,000. I showed him a letter dated in April, 1904, addressed to you. We have not the letter here, but I can give you the effect of it. It says referring to

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the conversation he had with you he now makes the propositions first that he will sell a strip opposite the government lot running to the shore and having a width of 227 feet for \$1,000 or he will sell a strip 227 feet running back 100 feet for \$500 or he will sell 50 x 100 feet for \$250. Now is that the only offer he made to you?—A. The only offer.

Q. He speaks of having made an offer to the late Mr. Day. Was Mr. Day there at that time? Did you see Mr. Day?—A. No.

Q. This was an offer which he made to you and which he put in writing?—A. Yes.

Q. Mr. O'Leary also stated to-day that neither of his offers were accepted but that he sold to the government the lot 50 x 100 for \$100. Is that correct?—A. That is not correct.

Q. What did he do?

Mr. CROCKET.—He did not say 50 x 100.

Mr. PUGSLEY.—Yes, he did.

Mr. CROCKET.—I did not understand that.

*By Mr. Pugsley:*

Q. What did he sell to the government?—A. Simply the right of way to the sewer.

Q. That was all?—A. Yes.

Q. And that right of way would not have over three feet in width?—A. Would not have that.

Q. And that is what he sold for the \$100?—A. Yes.

Q. Did you draw a sketch at the time of what he proposed to sell?—A. That is a rough sketch of one I got for the department showing the adjoining properties.

Q. Just look at this and tell me if the part between those two lines is the portion he proposed to sell for \$1,000? You see 227 feet there?—A. It was this side running down to the shore. I have not seen the latter for some time but it says 227 feet. I question whether that is right, I think it was only 400.

Q. At all events it went to the water and I see your sketch is 227 feet to the water. That shows a large portion of his property on each side of the strip that he proposed to sell for \$1,000?—A. Yes.

Q. You marked on the plan 'not in the offer'?—A. Not in the offer.

Q. That was done at the time?—A. Yes.

Q. And this part over here is not in?

*By Mr. Carvell:*

Q. What is the date of the plan?

*By Mr. Pugsley:*

Q. There is no date to it. Did you make this about the time of the offer?—

A. As soon as I got home and reported to the department.

*By Mr. Crocket:*

Q. You stated that you reported this matter to the department at Ottawa.

*By Mr. Pugsley:*

Q. Would that be to the chief architect?—A. The chief architect.

*By Mr. Crocket:*

Q. You did report?—A. To the chief architect.

Q. At Ottawa?—A. I did.

Q. And the whole matter was before the department here?—A. Yes.

Q. I am sorry you have not that letter. I have forgotten the figures but it says a strip of 50 feet by 100 for \$250?—A. Yes.

Q. Was that for the sewer?—A. I will explain that. When I found that Mr. O'Leary wanted \$100 for the right of way I thought it would be better for the depart-



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ment to buy this strip 50 feet wide, own it outright, and I asked Mr. O'Leary what he would sell this strip 50 x 100 for and he said \$250.

Q. \$250?—A. Yes.

Q. But that strip was for the sewer?—A. Yes, for anything that the department wanted it for.

Q. Did the department buy another strip?—A. No.

Q. Was there not a deed executed?—A. Yes.

Q. Where is the deed?—A. In my pocket.

Mr. PUGSLEY.—He swore that the government would not give him \$250 but finally agreed to give \$100 for the 50 foot strip.

Mr. O'LEARY.—I did not make that statement.

Mr. PUGSLEY.—My recollection is that he said he sold the strip 50 x 100 for \$100, at all events we will get the facts.

*By Mr. Crocket:*

Q. You stated a moment ago that you considered it would be best to buy the 50 feet strip?—A. I did.

Q. But that was not done?—A. No.

Q. Did you recommend that?—A. I had sent up Mr. O'Leary's certified bills and I presumed the department had decided that they would pay \$100 for the right of way.

Mr. PUGSLEY.—This is the receipt: 'Right of way. To sewer from government building across the property on shore opposite sum \$100. Received Mr. R. O'Leary' and the deed only gives the right of way. I may be doing Mr. O'Leary an injustice but I thought he was making a point to-day that he sold this strip 50 x 100 for \$100.

Mr. O'LEARY.—I did not.

*By Mr. Crocket:*

Q. You said this was the only offer you had received from O'Leary?—A. That was all.

Q. The only written offer?—A. The only written offer.

Q. Did you have any conversation with him at all?—A. I had.

Q. Before this offer was made?—A. I had.

Q. You asked him to put it in writing?—A. I did.

Q. You had a conversation and he mentioned his price?—A. Yes.

Q. He said verbally that he would sell it for \$1,000?—A. That portion.

Q. And it was at your request that it was put in writing?—A. Yes.

Q. Why did you say that that was the only offer?—A. Because that was the only offer.

Q. You say you asked him to put the offer in writing?—A. Those portions he wanted to sell. That is the only thing he offered to sell, the portion mentioned in this letter.

Mr. PUGSLEY.—Mr. Crocket is either unfair or he misunderstands the witness. The witness says he made to him one offer containing three alternative propositions. One to sell a strip 257 feet running to the shore for \$1,000. He made another offer to sell him a strip 227 x 100 for \$500. He made him another alternative proposition to sell 50 x 100 for \$250. He asked him to put that offer in writing which he did and which we have here, and he says that is the only offer he made. That is clear to me.

*By Mr. Crocket:*

Q. He said the only offer written or verbal before that letter was written. He had made these offers?—A. I was explaining how the offer was made.

Q. And when you say the one offer?—A. I was explaining how the offer was made.

Q. You said it was at your request he put it in writing?—A. It was he who proposed it first.

Q. Did he mention feet or anything of that kind in his first offer?—A. No. The only mention was the width of the building lot. He said—Waterbury, when he was

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asking me about the piece of land for the sewer. 'The government ought to have a piece of land running here in front to the shore to decorate, to have a nice public place.' I said it would not be a bad idea; what would you take for it. He told me \$1,000, and I said, 'Put it in writing.'

Q. That is what took place?—A. Yes.

Q. You say there was no mention of dimensions?—A. No.

Q. He thought it would be nice for the government to have the property?—A. A strip of the property.

Q. This conversation took place in 1904?—A. That was in 1904.

Q. And do you say now that he limited that offer to the width of the building lot?—A. He did.

Q. And you have told us all that took place?—A. About all.

Q. You told me that he made no reference to feet?—A. Except to the width of the building.

Q. And then you say he said that it would be nice for the government to have the land in front of the building?—A. Yes.

Q. Didn't he offer to sell the whole property?—A. You mean the property the government has bought? The whole of the O'Leary property. I want to understand what property you mean.

Q. I made my question and we will have you answer it?—A. State your question again. You asked me if he did not offer to sell the whole property. What do you mean by the whole property?

Q. What would you mean by the whole property?—A. I suppose the whole O'Leary property.

Q. Was there any mention made of the whole property or any part of any property?—A. The only mention made was in that written offer.

Q. Wasn't this property known as the sawdust property?—A. I did not know what his property was then. I only know that the piece in front of the public building was offered.

Q. You have not told us that conversation.

Mr. PUGSLEY.—He told you two or three times.

Mr. CROCKET.—He spoke about property and he said it would be nice for the department to own a piece in front of the public building.

Mr. PUGSLEY.—The public building lot.

*By Mr. Crocket:*

Q. And that is what you took as his offer?—A. Yes.

Q. And there was no mention of any particulars at all and you got the dimensions of what the government wanted?—A. I did not know, because the government did not know anything about it. I simply stated the offer in my report. I made no dimensions or anything.

*By Mr. Pugsley:*

Q. Did I understand you to say that when he said to you that the government ought to buy a strip the width of the public building property you then asked him to put his proposition in writing?—A. Yes.

Q. And he put it in writing as per the letter which we have in evidence, and then you drew this sketch and had it forwarded to the chief architect?—A. That sketch has nothing to do in particular with Mr. O'Leary's offer but with all the adjoining properties showing just what was surrounding the public building and after I made it out for my report I also drew some lines on it to show what Mr. O'Leary had suggested was offered.

Q. That shows 227 feet which was just the width of the public building lot running to the shore. I would like the committee to see this. It is exactly the same as Mr. Waterbury states. This is the public building here and this is a strip in front and this is the strip of 150 feet lying between what Mr. O'Leary proposed to sell to

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the government for \$1,000 and the railway wharf and also a strip of 360 feet on the other side.

*By Mr. Crocket:*

Q. And the outcome of this offer was the deed for the \$100 sewer right?—A. \$105 was paid. Mr. O'Leary demanded \$5 interest for the delay in settlement.

Q. But that was the outcome of this offer?—A. Yes.

Q. And afterwards the question came up to the department?—A. That is it entirely.

Mr. PUGSLEY.—I would like the terms of the deed to be noted: (Reading):

The granters, etc., do grant, bargain and sell unto the party of the second part his successors and assignees the right by his and their officers, agents and servants, to lay down and have a pipe line for sewer purposes through and across certain lands and premises of the said Richard O'Leary, situated in Richibucto, aforesaid, on the easterly side of Queen street, fronting on the Richibucto river from the easterly boundary of the said land and premises through and over the same and unto the said river as marked and indicated 'sewer from public building on the plan hereto attached.'

Witness discharged.

The committee proceeded with the consideration of an item of \$914.12 relating to Richibucto public building as set out at V-392 of the Auditor General's Report for the fiscal year ending 31st March, 1909.

Mr. T. O. MURRAY, recalled:

Mr. CROCKET.—This refers to an account of Mr. Murray's against the Department of Public Works in connection with the public building at Richibucto.

The CHAIRMAN.—This is a new inquiry.

*By Mr. Crocket:*

Q. Just look over that and see if you remember that letter. Have you looked it over?—A. Yes.

Q. You received that account from the department?—A. Yes.

Q. This is a contract that was entered into by you with the Department of Public Works. I will just read it.

*By Mr. Carvell:*

Q. What is the date of it?—A. 18th July, 1908.

Mr. CROCKET.—(Reading):—

Agreement made this 18th day of July, 1908, between Thomas Murray of Richibucto, N.B., of the first part, and the Department of Public Works of Ottawa, of the second part. That the said Thomas Murray, in consideration of the sum of seven hundred and ninety-six dollars and fifty-two cents agrees and binds himself to do all the said works attached to this agreement in a good workmanlike manner and to the entire satisfaction of the chief architect or inspector of the Public Works Department. All of the said work to be started forthwith and rushed through to completion. Only the works checked on bill on quantities to be done now until further orders amounting to five hundred and fifty-two dollars. Signed, Thomas Murray. Witness, signed, D. J. Mullarkey.

*By Mr. Crocket:*

Q. These works for which this contract was entered into between you and the department were for 228 feet of sewer excavation, tile piping, joint cemented, every-



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thing complete and cesspit included at \$1.30 per foot, \$296.40. 155 yards of painting present fence, two coats at 25 cents per yard, \$38.75; 327 feet of new wire fencing including painting, two coats, at 65 cents per foot, \$212.55; 182 feet of new sidewalk, 2-inch plank, four feet wide, at 50 cents a foot, \$91; 182 feet of drain along sidewalk at 6 cents, \$10.92; 25 feet of smokestack for furnace and chimney at 80 cents per foot, \$20; 50 feet of cast-iron pipe from tank to sewer for flushing, including labour, at 40 cents, \$20; 25 feet of board well with iron casting at \$3, \$75; to one coat of pitch and gravel on main deck of roof, \$35; to Yale locks on w.c. and office doors, \$12; to ten loads of gravel for crossings, \$10; to repairing shingles on roof and pointing brick work, \$15; to extension to coal bin, \$10; to pointing and plastering west and east side of building below ground level with cement, \$25; to repairing customs doors and new flush bolts, \$7; to oil and varnish main entrance doors, two coats, \$10; Total \$796.52. Are you a mason, Mr. Murray?—A. No.

Q. Are you a carpenter?—A. I have worked at it.

Q. Do you do carpentry work?—A. I have done it.

Q. Did you do the carpentry work here?—A. Not at the building.

Q. Did you do the masonry work?—A. No, not myself.

Q. Did you do the painting contracted for?—A. No, sir.

Q. You got others to do all these works?—A. Yes.

Q. Do you keep a store from which you sell supplies?—A. No.

Q. Did you get that money for these goods and for that work?—A. Yes.

Q. And you had others do the work?—A. Yes.

Q. You employed plumbers to do the plumbing work?—A. Yes.

Q. And carpenters to do the carpentering work?—A. Yes.

Q. And masons to do the masonry work?—A. Yes.

Q. And you paid the masons and painters to do the work?—A. Yes.

Q. And the department entered into that contract with you?—A. Yes.

Q. You are manager of the Kent Northern railway?—A. Yes.

*By Mr. Carvell:*

Q. Was any of this work done by contract?

Mr. CROCKET.—That is the contract.

*By Mr. Carvell:*

Q. Was there any work other than what is in that contract?—A. Nothing except what is all here on this bill of quantities.

*By Mr. Pugsley:*

Q. What about the sewer excavation?

*By Mr. Carvell:*

Q. Does that account for the difference?—A. Yes, there was some extra work done.

Q. Did any responsible official of the department come to you and make that contract with you?—A. The inspector asked me to give him figures on it.

Q. You saw Mr. Mullarkey from Ottawa?—A. Yes.

Q. Was there not another official?—A. I think there was.

Q. Didn't they try to get a tender from some parties?—A. I understand they asked two or three to do the work.

Q. And that was the time the sewer was blocked up?—A. And the new sewer put in.

Q. After trying to get two or three other people to take the work they finally entered into a contract with you?—A. Yes.

Q. Do you say those prices were fair and that you only got a reasonable price for the work?—A. Yes, these are my own prices and the department accepted them.

Q. And they need not have accepted them?—A. No.

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Q. And they accepted them after going to other parties?—A. I understand from the inspector that they had asked two or three. I do not know who they were.

Q. Did you ever hear of a man taking a contract who did not do the manual labour himself?—A. Lots of them.

*By Mr. Crocket:*

Q. Who did the painting of those wire fences?—A. I think it was Jos. Michaud.

Q. How much did you pay him?—A. I paid him at so much a day.

Q. Could not you tell how much you paid him?—A. I paid most of them \$1.50 a day.

Q. Did more than one man work at this?—A. Oh, yes.

Q. Painting the wire fences?—A. No, he had different work.

Witness discharged.

The committee adjourned until Wednesday, January 26, at 11 o'clock.

# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING PAYMENT OF

\$33,969.60 TO MARITIME DREDGING AND CONSTRUCTION COMPANY

IN CONNECTION WITH

## DREDGING AT GASPEREAU RIVER

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your Committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with the Richibucto Wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. Warburton,

*Chairman.*





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32.

WEDNESDAY, January 26, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee proceeded to the consideration of the payment of \$33,969.60 to Maritime Dredging and Construction Company in connection with dredging at Gaspereau river, as set out at page V—290, Report of the Auditor General for fiscal year ended March 31, 1909.

Mr. EUGENE LAFLEUR, chief engineer of the Public Works Department, called, sworn and examined.

*By Mr. Crocket:*

Q. Mr. Lafleur, you are chief engineer of the Public Works Department?—A. Yes.

Q. As such you have the direction of all dredging contracts?—A. Yes, the execution of the contracts, yes.

Q. Subject, of course, to the minister?—A. Yes.

Q. Did you bring any papers with you this morning?—A. No, sir, I was not notified that I was to appear before the Public Accounts Committee, so I have no papers with me.

Q. I announced at the last meeting of the committee that I intended examining you and I understood from Mr. Howe, the secretary of the committee, that you had been notified?—A. I have not been notified.

Q. I may say that I have also asked Mr. Doody, of the Public Works Department, to ask you to bring the papers?—A. I saw Mr. Doody yesterday afternoon about 4 o'clock and he spoke about the matter.

Q. There are some papers here from your department and you might just take these; I have some questions I want to put to you; I think that is your file. Is it not in connection with the dredging at Gaspereau (handing file to witness)?—A. Yes, it appears to be my file; it is a copy of my own letters.

Q. I will call your attention in the first place to the dredging at Gaspereau. Have you a copy of a letter from the deputy minister dated the 3rd of July, 1908, there?—A. Yes.

Q. Will you read that, please?—A. (Reads):

Department of Public Works,

Ottawa, July 3, 1908.

CHIEF ENGINEER,—Kindly secure a report from resident engineer regarding dredging at Buctouche, Shediac and Gaspereau river (Port Elgin), with a view to sending out a notice to dredge owners asking for tenders.

These three places should be commenced by July 20 and the portion to be designated by the resident engineer be finished this season.

(Sgd.) J. B. H.,  
*Acting Deputy Minister.*

Chief Engineer P.W.D.

Q. Is there another note from Mr. Hunter on the 15th of the same month? I think that it is attached to that?—A. Not that I can see here—yes, there is.

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Q. Read it?—A. (Reads):

‘C. ENGR.—Kindly let me know as soon as possible just what quantity of urgent dredging there is at Gaspereau river, N.B.

It is represented all that requires to be done at present is removal of bar at mouth. Please say how much that will be. J.B.H.  
15/7/08.’

Q. That is dated the 15th of July?—A. The 15th of July.

Q. What did you do in consequence of that direction? There is a letter, I think, on the 16th of July, or a telegram, I am not sure which, to Geoffrey Stead?—

A. On the 16th of July, 1908, I wired to Geoffrey Stead, resident engineer, Chatham, N.B.: ‘Please wire me immediately what quantity of urgent dredging is required in the Gaspereau river, N.B. It is represented that all that requires to be done at present is removal of bar at mouth. How much would that be?’

Q. Now, do you know by whom that was represented?—A. As to the necessity of dredging?

Q. Yes?—A. No, sir.

Q. You have no knowledge of that?—A. No official knowledge, because there is nothing in the correspondence before me to show that.

Q. Have you any knowledge, official or otherwise?—A. Not to my remembrance.

Q. As to by whom that representation was made?—A. No, sir.

Q. Was the letter or note of July 3 the first knowledge that you had of that work or of the proposal to do that work?—A. No, I think I heard of the work before that. There were, if I remember well, previous reports in the department in reference to it.

Q. During that year?—A. Not during that year, but some years before.

Q. You say there were reports some years before?—A. Yes, sir.

Q. But from that time down to the month of July, 1908, you had heard nothing of it?—A. As far as I can remember, nothing.

Q. Now, have you Mr. Stead’s reply?—A. Yes, it is dated at Chatham, N.B., July 17, 1908. (Reads):

‘In reply to your telegram at Gaspereau river, a cut to give six feet at low water through bar necessitating removal 48,000 cubic yards, barge measurement, is most urgently required. Basin 350 feet long, 200 feet wide; at wharfs also very necessary, requiring 14,000 cubic yards, barge measurement, of dredging.’

Q. Now, that is on the day following the date of your telegram?—A. Yes.

Q. And that is from whom?—A. That is from Geoffrey Stead, resident engineer at Chatham, N.B.

Q. Do you know if Mr. Stead visited the ground in the meantime?—A. I do not know.

Q. You have no knowledge of that?—A. No, sir.

Q. Now, I want—?—A. But he must have had the data necessary to enable him to reply to my telegram.

Q. You have no knowledge, however, of his visiting the ground?—A. I have no knowledge.

Q. I want to call your attention to that, Mr. Lafleur (handing document to witness), that letter upon the 20th of July, what is that?—A. There is a letter addressed to the secretary of the department by the then acting deputy minister, Mr. Hunter.

Q. What does that say?—A. (Reads):

‘Secretary,—Please have advertisements sent out calling for tenders for dredging at Gaspereau river, Buctouche beach, Buctouche harbour and Point Du Chene, in the province of New Brunswick.

J. B. H.,  
Acting Deputy Minister.’

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Q. In your file you will find a telegram or a letter from Geoffrey Stead under the date of July 31, 1908?—A. Yes.

Q. What does that say?—A. (Reads):

‘CHATHAM, N.B., July 31, 1908.

The Chief Engineer,  
Department of Public Works,  
Ottawa, Ont.

John E. Moore of St. John says he has dredge ready to work on Gaspereau river, N.B., and expects to start Monday. Am I authorized to lay out the dredging for him there.

GEOFFREY STEAD,  
*Resident Engineer.*

Q. That was on 31st of July?—A. The 31st of July, 1908.

Q. Now, will you look up a telegram or letter written by you to Geoffrey Stead on the 4th of August, 1908?—A. Yes, I have it here.

Q. What does that say?—A. (Reads.)

‘August 4th, 1908.

SIR,—The work of dredging in the Gaspereau river has been given to the Maritime Dredging and Construction Company, of St. John, N.B., providing they are willing to accept, in payment, per cubic yard, scow measurement, the lowest price to be obtained by tenders which are now being called for. Kindly place the company's dredge at work immediately, if they accept the conditions. You will please, however, note that the lesser work only is to be engaged upon.

Yours obediently,

GEOFFREY STEAD, Esq.,  
Resident Engineer,  
Chatham, N.B.’

CHIEF ENGINEER.

Q. So you had on the 31st of July an intimation from the resident engineer that John E. Moore, of the Maritime Dredging and Construction Company had his dredge all ready on the ground to go to work?—A. That is what would appear from that telegram.

Q. And on the 4th of August, while the tenders were being called for, you directed Mr. Stead to put the Maritime Dredging and Construction Company's dredge at work upon the condition that they should accept the lowest price that could be obtained on the tenders that had been called for?—A. That is correct, sir.

Q. That is to say, the work was entered upon by the contractors before the tenders were received?—A. It would appear so by this letter here.

Q. Have you any doubt as to that?—A. I do not think so, no.

Q. Now, did you notify any one else than Mr. Stead of the letting of this contract on those terms to the Maritime Dredging and Construction Company?—A. Yes, for on the 4th of August, 1908, I wrote to Mr. G. M. Graham, Superintendent of Dredging, North Sydney, N.S., as follows:

‘SIR.—Please inform the Maritime Dredging and Construction Company, of St. John, N.B., that they may begin work of dredging in the Gaspereau river, providing they are willing to accept, in payment, the lowest price, per cubic yard, scow measurement, to be obtained by tenders which are now called for.

Q. How did you come to send that communication to Mr. Graham at North Sydney, N.S.?—A. Mr. Graham is our Superintendent of Dredging, and he has to be notified as to works of dredging that are to be performed.

Q. Has he to be notified of works performed in New Brunswick?—A. Yes.

Q. Is there a superintendent of dredging in New Brunswick?—A. Yes, sir, well, that letter may have been misaddressed, it might have gone to Mr. Serville instead of to Mr. Graham.



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Q. It is addressed to Mr. Graham?—A. Yes, to Mr. Graham.

Q. Mr. McCordock was superintendent of dredging, wasn't he?—A. No, he was dead at the time.

Q. You say so?—A. I think so, yes.

Q. The return we have here shows that he was not?—A. I may be mistaken, but I think he was.

Q. Mr. Graham at North Sydney is superintendent of dredging for Nova Scotia in the same way that Mr. McCordock was superintendent in New Brunswick?—A. Mr. McCordock had superintendence of dredging all over the maritime provinces, now it is divided and Mr. Graham has the superintendence over Nova Scotia and Mr. Scoville over New Brunswick.

Q. So that Mr. McCordock had a larger jurisdiction than Mr. Graham?—A. Yes.

Q. Mr. Graham's jurisdiction was local?—A. Mr. Graham's was local.

Q. And yet Mr. Graham of North Sydney was notified of this arrangement with the Maritime Dredging and Construction Co.?—A. Yes.

Q. Have you any explanation how that was?—A. It may have been that the letter was misaddressed, that instead of going to Mr. Graham it should have gone to Mr. McCordock.

Q. Look at August 10, 1908, you have an acknowledgment there from Mr. Graham?—A. Oh, naturally, he would acknowledge the receipt of the letter, and if I ordered him to take charge of the work he would take charge of it.

Q. Will you read Mr. Graham's letter?—A. (Reads.)

'NORTH SYDNEY, C.B.,

'August 10, 1908.

'EUGENE D. LAFLEUR, Esq.,

'Chief Engr., Public Works,

'Ottawa, Can.

'SIR,—I beg to acknowledge receipt of your letter of the 4th inst., file No. 4245, in which you instruct me to advise the Maritime Dredging and Construction Co. of St. John, N.B., that they may begin work dredging in the Gaspereau river, providing they are willing to accept, in payment, the lowest price, per cubic yard, scow measurement, to be obtained by tenders which are now called for.

'I am to-day conveying this information to the Maritime Dredging and Construction Co.

'Yours obediently,

'(Sgd.) G. M. GRAHAM,

'*Sup. of Dredging, N.S.*'

Q. That was on August 10?—A. On August 10, 1908.

Q. He was conveying then an intimation to the Maritime Dredging and Construction Company?—A. Yes.

Q. And in the meantime you had an intimation on July 31 that they had their dredge on the ground ready to go to work?—A. That was to Mr. Stead from John E. Moore.

Q. You know that Mr. Moore is the secretary of the Maritime Dredging and Construction Company?—A. I was not aware of the fact then.

Q. There is no doubt of that, is there? That he is the secretary of that company?—A. No.

Q. As a matter of fact you did not know that there was a Gaspereau river in New Brunswick, did you?—A. Yes, I did.

Q. Was not that letter sent to the superintendent of dredging at Nova Scotia by you thinking that it was the Gaspereau river in Nova Scotia?—A. No, all the correspondence shows that the Gaspereau river is in New Brunswick.

Q. I know what the correspondence says, but I want your statement as to that;•

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that is what strikes me from reading it over.—A. The letter was evidently mis-addressed to Mr. Graham instead of to Mr. McCordock.

Q. Now, tenders were called for this work?—A. Well, I would say that is implied by this correspondence here.

Q. Will you see if that is the call for tenders that was issued? (document handed to witness).—A. Yes.

Q. What is the date of that?—A. July 28, 1908.

Q. And when were the tenders to be received, up to what date?—A. Until Friday, August 14, at 4 p.m.

Q. Tenders were not received until Friday, August 14, and on August 4 the contract was given to John E. Moore?—A. Yes, on condition that he would accept the price of the lowest tender.

Q. That (handing document to witness) is a copy, Mr. Lafleur, of the memorandum for the minister in regard to these tenders, that was furnished to me by Mr. Doody of the Public Works Department. Would you read that, please?—A. (Reads.)

‘DEPARTMENT OF PUBLIC WORKS OF CANADA,

‘SECRETARY’S OFFICE,

‘OTTAWA, August 15, 1908.

‘*Memorandum for the Hon. the Minister.*

‘Dredging in New Brunswick—

‘Buctouche Beach.

‘Buctouche Harbour.

‘Gaspereau River.

‘Pointe Du Chene.

‘Tenders for above work due Friday, August 14, 1908. One tender received at this office, herewith. Appropriation: Dredging maritime provinces, \$650,000.

‘(Sgd.) R. C. DESROCHERS,

‘*Asst. Secretary.*’

Q. One tender was received, and that was from the Maritime Dredging and Construction Company, and that included, I think, Gaspereau river, Buctouche beach, Buctouche harbour and Pointe du Chene?—A. Apparently so.

Q. See if that is the tender from the Maritime Dredging and Construction Company (handing document to witness)?—A. Yes, sir, it is.

Q. What is the amount of the tender?—A. 90 cents per cubic yard for each place.

Q. 90 cents per cubic yard—

*By Mr. Reid (Grenville):*

Q. What kind of material?—A. It does not specify what kind of material.

*By Mr. Crockett:*

Q. Is there any price given—that is 90 cents per cubic yard?—A. For ordinary material, do you see there (pointing to tender)?

Q. Yes. Is the blank in the tender filled in for ‘all other material—cents per cubic yard, bucket measurement, cast over 20 feet from the cut’? There is no tender for material cast over, is there?—A. No, sir.

Q. That was not filled in?—A. No, sir.

Q. Now, that 90 cents under the specification in the contract calls for the removal and the towing of the material dredged to a distance not exceeding 3 miles to the dumping ground?—A. Yes, sir, or where directed by the engineer.

Q. This is the clause in question:

‘We agree that the first of the two above mentioned prices will include towing to a distance not exceeding three miles to the dumping ground, and to accept one cent per cubic yard additional for every additional mile of tow that may be ordered, except in

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tidal waters, when the additional price will be two cents per cubic yard.'

—A. But I think you will find another clause in which it is mentioned that the material is to be deposited where directed by the engineer.

Q. This is the following clause, perhaps that is what you refer to: (Reads.)

'We agree to work in accordance with the written instructions given us from time to time by the chief engineer of the Department of Public Works, or his representative, resident engineer, and to deposit all materials dredged out in such places and in such a manner as may be indicated in writing by the chief engineer or by the engineer acting under his instructions.'

—A. That is the clause I refer to.

Q. So that under the contract the contractor may be required to remove the material to a distance of three miles at that price?—A. Or to deposit it on the side of the cut if so directed by the engineer.

Q. Yes, within that distance?—A. Yes, within that distance; 'cast over' is covered by that clause.

Q. You say that casting over is covered by that clause?—A. By the second clause you read, that is where directed by the engineer.

Q. So that if the engineer directed him to cast over right on the ground where the material was dredged he would be entitled to the same price?—A. Yes.

Q. Just the same as if he had to haul it three miles?—A. Absolutely.

Q. Now, on September 29, you will find a letter there from you notifying W. J. McCordock, superintendent of dredging, St. John, N.B., of the letting of this contract to the Maritime Dredging and Construction Company?—A. Yes, I have it.

Q. Will you read that, please?—A. (Reads):

'September 29, 1908.

'SIR,—The only tender received for dredging in the Gaspereau river was the Maritime Dredging and Construction Company, for 90 cents per cubic yard, scow measurement. At the time the tender was received, I thought that this price was considerably more than that for which the contract should be awarded. However, it has been represented to the department, that the condition is such as to make this price fair and reasonable. I, therefore, have to ask you to go to the Gaspereau river immediately looking to the circumstances of the case, and report by wire immediately.

'Yours obediently,

'Chief Engineer.'

Q. Then there is a postscript, read that.—A. (Reads):

'P.S.—Mr. Graham has been requested to hand over to you previous correspondence in connection with this matter.'

which goes to prove that the first letter had been misdirected.

Q. I would think it went to show that apparently it was thought at first that the Gaspereau river which was intended was in Nova Scotia?—A. Oh, no.

Q. You do not say that?—A. No, not at all.

Q. Was that the first notification to the superintendent of dredging at St. John, who you say had jurisdiction over the dredging for all the maritime provinces later, of the letting of this contract?—A. It would so appear by this correspondence.

Q. And that tenders were received up to August 14?—A. Yes.

Q. And on August 4 the Maritime Dredging and Construction Company had been put to work under the conditions mentioned?—A. They had been authorized to go on with the work, yes.

Q. Will you explain to me why there was no communication to the superintendent of dredging until September 29, considerably over one month after the date fixed for the receipt of tenders, and very nearly two months after the Maritime Dredging and Construction Company had been put to work?—A. I have no recollection of any reason.

Q. Have you any reason to assign for that at all?—A. Well, the superintendent



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of dredging, that is Mr. Graham, was notified as soon as, or before the company went to work.

Q. That is the superintendent of dredging for Nova Scotia, at North Sydney, was notified?—A. The superintendent of dredging for Nova Scotia at North Sydney, but he will take my instructions for any place in the maritime provinces.

Q. And in his letter of August 10 he stated he was conveying that information to the Maritime Dredging and Construction Company?—A. Yes, sir.

Q. Who had been at work ever since August 4, and who had been notified upon August 4 that they had the contract?—A. He was notified upon the 4th, but whether they had been at work or not before they were notified on the 10th is a matter for the returns to show.

Q. Now, in reference to this letter of September 29—

Mr. McKENZIE.—The hon. gentleman says they had a contract of August 4, which is not so, I believe.

The CHAIRMAN.—They had no contract on August 4.

Mr. McKENZIE.—They were told on that date that they could do some work on certain conditions.

Mr. SHARPE (Ontario).—That is a contract, they were given the work on certain conditions.

Mr. CROCKET.—The telegram of August 4 is:

The work of dredging in the Gaspereau river has been given to the Maritime Dredging and Construction Company of St. John, N.B., providing they are willing to accept in payment, per cubic yard, scow measurement, the lowest price to be obtained by tenders which are now being called for.' and the department were notified on July 31 that the dredge was on the ground and ready to do the work.

Mr. McKENZIE.—But the hon. member said that there was a contract on August 4, when there was no contract.

*By Mr. Crocket:*

Q. In reference to this letter of September 29, to Mr. McCordock, you say in that letter that 'at the time this tender was received I thought that this price was considerably more than that for which the contract should be awarded.' That was your opinion, was it not?—A. It must have been if I said so.

Q. You also say, 'However, it has been represented to the department that the condition is such as to make this price fair and reasonable.' By whom was that representation made to the department?—A. That I cannot remember at this date.

Q. Did anybody represent that to you?—A. Not to me personally.

Q. Who did represent it to you? From whom did you get that information?—A. I must have had it from some of the officers of the department.

Q. Did you get it from the minister?—A. I cannot say that.

Q. Will you say that you did not get it from the minister?—A. I cannot say that I did not.

Q. You have no memorandum containing these representations?—A. Not that I am aware of.

Q. Now, as a matter of fact, you have spoken about having a report upon this work some years before?—A. There was a report, if I remember well, on dredging in the Gaspereau river at Port Elgin some years before.

Q. I think you will find it on the file there, the 9th of March, 1907, or there is a letter there from Mr. Stead dated the 9th of March, 1909, inclosing a report. This (handing document to witness) is a letter from Mr. Stead to you written on the 9th of March, 1909. Just read that, please?—A. (Reads):

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‘DEPARTMENT OF PUBLIC WORKS, CANADA,  
RESIDENT ENGINEER’S OFFICE,  
CHATHAM, N.B., March 9, 1909.’

SIR,—I inclose herewith a copy of my report to the Chief Engineer on further dredging required in the Gaspereau river, Westmorland county, N.B.’

It is addressed to Nap. Tessier, Secretary D.P.W., Ottawa.

Q. And next to that you will find a report on that subject to you?—A. Yes, a copy of a report.

Q. Read the copy of the report, will you?—A. (Reads):

‘CHATHAM, N.B., 9th March.

The year is not mentioned.

‘SIR.—I have received your letter No. 8510 of the 4th March asking a report on what further dredging is required in the Gaspereau river, Westmorland county, New Brunswick. In reply I have to say that last season dredging to the extent of 33,744 cubic yards at a cost of \$33,969.60 was performed for the excavation of a channel 100 feet wide across the estuary of the Gaspereau river, but the shoalest point of the estuary had not been reached at the close of the season, and, therefore, practically no improvement in navigation has been effected.’

Q. Are you reading from that document; that is not the same as the copy that was given to me?—A. That is what I have here. (Reads):

‘But the shoalest point of the estuary had not been reached at the close of the season, and, therefore, practically no improvement in navigation has been effected. Moreover, if the cut is left unfinished, it will probably fill up rapidly.’

Q. Just there, that refers to the work under this contract by the Maritime Dredging and Construction Company, does it not?—A. Yes, that portion of the work they did that season.

Q. That is the work they had done last season, if it is not finished would fill up rapidly?—A. It might; that is what the report says.

Q. Then proceed please?—A. (Reads):

‘There is a least depth in the estuary of 0.8 feet at L.W.O.S.T.’

Q. Does that 0.8 mean about 9 inches?—A. It means  $\frac{9}{10}$ ths.

Q. That is the least depth they are dredging in?—A. No, that is not the depth they are dredging in; that was the least depth in the estuary before dredging was done. (Reads):

‘In the river between the estuary and the town, a distance of about 2 miles, the depth varies from 1 to 6 feet at L.W.O.S.T.

The town is a growing one and a channel sufficient for a schooner trade is very much desired.’

Q. Just there, Mr. Lafleur, do you know if that was the object of this dredging, to enable schooners to get up to the town?—A. According to the report I received I understood it was. (Reads):

‘Mr. Day on the 13th May, 1903, forwarded a plan and full report in which he estimated the cost of a channel giving 12 feet at low water and a basin at the wharf at \$168,000 (dredging at 20c per cubic yard).’

Q. Mr. Day was the resident engineer of the department at that time?—A. Yes, he was the resident engineer at that time.

Q. And he estimated that the dredging was worth 20 cents per cubic yard?—A. 20 cents per cubic yard.

Q. On \$168,000 worth of work?—A. Yes.

Q. But the Maritime Dredging and Construction Company got it at 90 cents per cubic yard?—A. Well, the conditions were changed in the meantime.

Q. They got this contract at 90 cents, did they not?—A. They got it at 90 cents. (Reads):

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'Mr. Day considered that 4 feet at low water would be ample and for this depth 180,000 cubic yards of dredging was necessary, costing, at 20c., \$37,000.

'A six-foot channel, giving about 15 feet at extreme high water, is however desired, and appears to me to be necessary, as it would give about 13 feet at neap high tides which is required for the larger schooners. At your request I sent you on the 5th March, 1907, an estimate of this work which requires about 330,000 cubic yards, costing, at 20c., \$66,000.'

Q. That refers to Mr. Stead's report of March, 1907?—A. His report of 5th of March, 1907.

Q. In which he also estimated the dredging as worth 20 cents?—A. 20 cents, yes.

Q. On 330,000 cubic yards?—A. 330,000 cubic yards. (Reads):

'In my statement of the dredging required, forwarded on the 2nd March, I gave the amount to be removed to continue the cut up to the railway bridge, where the wharfs are situated, as, roughly, 250,000 cubic yards.

'The correspondence inclosed with your letter is returned herewith.

'Yours obediently,

'(Sgd.) GEOFFREY STEAD,

'Resident Engineer.

'E. D. LAFLEUR, Esq.,

'Chief Engineer, D.P.W.,

'Ottawa.'

Q. That brings me back again to your letter of September 29. You stated in that letter that you thought this price was considerably more than that for which the contract should be awarded and you say, 'However, it has been represented to the department that the condition is such as to make this price fair and reasonable'?—A. Yes.

Q. When you made that statement you had before you the report of Mr. Stead, estimating it at 20 cents per cubic yard, made in March, 1907, the report you have just read?—A. Yes—well there is no year mentioned here, it is only March 9.

Q. Yes, but he refers in the letter to his report of March 5, 1907.—A. Yes, 'at your request I sent you on March 5, 1907.'

Q. And in that report of March 5, 1907, he estimated it at 20 cents per cubic yard?—A. Yes.

Mr. CARVELL.—That is Mr. Day's report, I think.

Mr. CROCKET.—No, it is Mr. Stead's; he refers also to a previous report by Mr. Day in 1903, in which he too put it at 20 cents per cubic yard. That is right, is it not?—A. I beg pardon.

*By Mr. Crocket:*

Q. He refers in his letter of March 9 to his report of March 5, 1907, in which he estimated the work of dredging at 20 cents per cubic yard?—A. Yes.

Q. And Mr. Stead also refers in the letter to a report by Mr. Day, his predecessor, on May 13, 1903, in which he also put it at 20 cents a cubic yard?—A. Yes.

Q. But in your letter of September 29 you say that it has been represented to the department that the condition is such as to make this price of 90 cents per yard fair and reasonable, have you any explanation to offer of that at all?—A. Is there any explanation I have to offer?

Q. Have you any explanation to offer as to that statement that this price of 90 cents is fair and reasonable on account of representations made to the department?—A. Not that I can remember at this stage, I must have had some reason at the time, and I think that later on you will find a report there which confirms that.

Q. But was there at this time, Mr. Lafleur?—A. There must have been representations made, perhaps to myself, that I cannot remember, but perhaps to myself which would make me believe at the time that the price of 90 cents was reasonable; it may be on account of the shoal depth of the water and the difficulty of getting the scows and the dredge to work, that would make quite a difference.



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Q. Well, that condition would not have altered, would it, from 1907?—A. No, but the price evidently mentioned by Mr. Stead or Mr. Day in former reports were not those for which we could have had the work performed even at the time the reports were made.

Q. You say that, although these were the gentlemen who were called upon to visit the ground and make the report?—A. Yes, sir.

Q. Have you ever visited the ground?—A. No, sir, not that I know of.

Q. Had you any report from any officer of the department previous to letting the contract upon the value of this work, except from Mr. Stead and Mr. Day, the resident engineers of the department, both of whom put it at 20 cents?—A. Yes, but I had before me at the time this contract was let other prices obtained by public tender for works in the maritime provinces which were much above that price of 20 cents.

Q. Have you many at 90 cents?—A. Yes, I have. At the time this contract was let in 1908, we had some at 90 cents in the harbour of St. John, and we had some at 50 and 60 cents elsewhere.

Q. That was for dredging to the depth of 30 feet, was it not?—A. Dredging to a depth of 30 feet, but that is not any more difficult in point of the work to be done than where it is to a less depth.

Q. You have not answered my question yet, was the 90 cent dredging at St. John to a depth of 30 feet?—A. Thirty feet at low water.

Q. And this was for dredging to 6 feet?—A. It is sometimes much more difficult to dredge at 6 feet than it would be at 30 feet.

Q. I think you are very much more anxious to excuse this contract than you are to answer the question.—A. I mean to say it is much more difficult to dredge at 6 feet than it is at 30 feet sometimes.

Q. Now, on September 30 you also wrote to Mr. Graham, did you not, to hand over the correspondence to Mr. McCordock?—A. Yes.

Q. And on October 3 I see a telegram here from William Pugsley to yourself, from St. John, have you that on your file?—A. Yes.

Q. Will you read that, please?—A. (Reads):

‘ST. JOHN, N.B., October 3, 1908.

‘E. D. LAFLEUR, Ottawa.

‘Kindly wire instruction to Scammell to visit Gaspereau as arranged.

‘WILLIAM PUGSLEY.’

Q. Who is Mr. Scammell?—A. He is the resident engineer for that part of New Brunswick.

Q. Is he the resident or the assistant resident engineer?—A. He is the resident engineer, that is for the harbour of St. John.

Q. He is the resident engineer for the harbour of St. John?—A. Yes, sir.

Q. And Geoffrey Stead is the resident engineer for the district in which this work was being done?—A. Yes.

Q. And Mr. Pugsley's telegram is to send not the resident engineer of the district in which the work is being done, but the resident engineer of another district?—A. That often occurs.

Q. Was that so or was it not?—A. Yes, it is so, but I explain that often occurs.

Q. You say that often occurs?—A. Yes.

Q. Why would that be?—A. Because some times we want to obtain an independent report from a man who was not upon the work before.

Q. And the only report you had from the resident engineer of the department for the district in which the work was done was that of Mr. Stead, and he put it at 20 cents?—A. That is the only report I had.

Q. And is that the reason you wanted an independent report?—A. Not at all; it must have been at the time, in view of the difficulties of the work, I wanted to have the report of Mr. Scammell.

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Q. The minister says in his telegram, 'as arranged;' did he arrange that with you?—A. I suppose he did, at the time.

Q. He had arranged that with you before he went to St. John?—A. Either before he went—but, if I remember well, I was in St. John at the time.

Q. And you knew what he meant when he said, 'send Scammell to Gaspereau as arranged?'—A. It was arranged.

Q. Before he went to St. John you had arranged that, had you?—A. We had arranged that Mr. Scammell was to go to Gaspereau river.

Q. That was on the 3rd of October, 1908, and you replied to that telegram on the 5th; you have the reply there, have you not?—A. No, these are my instructions to Mr. Scammell, not the reply to the minister.

Q. Well, on the file, in addition to your telegram to Mr. Scammell, there is a reply to the minister's telegram; it is dated the 5th of October, I think?—A. Yes, it is here.

Q. Will you read that?—A. It is dated October 5, and is addressed to the Hon. William Pugsley, Minister of Public Works, St. John, N.B.

'Have wired instructions to Mr. Scammell to visit Gaspereau river as arranged.'

Q. And that is addressed to the minister at St. John?—A. It is.

Q. On the same day you wired to Mr. Scammell, what did you wire to him?—A. (Reads):

'October 5, 1908.

J. K. SCAMMELL, Resident Engineer.

St. John, N.B.

Certain difficulties have arisen in connection with dredging Gaspereau river. Please see the Maritime Dredging and Construction Company of St. John, who have the contract, and report.

CHIEF ENGINEER.'

Q. Have you any memorandum that will show you what those difficulties were?—A. Not here.

Q. Are those existing?—A. No.

Q. Can you state what those difficulties were?—A. I cannot state at this time, not without going into this correspondence. However, if I had been notified previously that I was to have been examined on this matter I would have posted myself.

Q. It was not my fault you were not notified. I stated at a previous meeting in the presence of the minister here the other night that I wanted you to be here this morning in connection with that matter, and I also asked the secretary of the committee yesterday to have you notified, and I asked Mr. Doody to inform you?—A. Mr. Doody notified me in a general way that it was in connection with the dredging in New Brunswick. It is not my fault at all. I think it is unfair for me to undergo this examination without having been informed of what subject I was to have been examined on; I might have posted myself.

Q. Is that your whole file you have there?—A. That is my full file, but I might perhaps find something else to make me remember certain things.

Q. I am going to take you through all the return, and I am assured that the return contains all the papers in the department, so that no injustice will be done in that respect?—A. Very well.

Q. There is no memorandum that you know of to show what those difficulties were that had arisen in connection with the dredging at Gaspereau river?—A. Not to my recollection.

Q. And you do not remember what they were?—A. No.

Q. Your letter to Mr. McCordock which has already been read, was dated on the 29th of September, and you will find there a letter from Mr. McCordock dated the 9th of October, 1908?—A. Yes.

Q. You might read that please?—A. (Reads):

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'ST. JOHN, N.B., 9th October, 1908.

The Chief Engineer,  
Department of Public Works,  
Ottawa, Ont.

DEAR SIR,—I beg to acknowledge the receipt of your letter of the 29th ulto., No. 5615, as follows:—'

Then he quotes my own letter.

Q. He quotes your letter. Now, the next paragraph?—A. (Reads):

'Expecting to receive the papers immediately from Mr. Graham which you referred to, I immediately set about seeing where the Gaspereau river was located, to find one in Nova Scotia, one at the Grand Lake, N.B., and one on the line of the C.P.R. in Sunbury county, N.B., but no others shown on the charts. I asked Mr. Shewen and Mr. Scammell if they knew of any other Gaspereau river, and they both looked over the charts with me and said they knew of no other.'

Q. Just in connection with that, you say that Mr. McCordock was not superintendent of dredging for New Brunswick, but that he was superintendent for the maritime provinces and had jurisdiction over all the others.—A. Not at that time.

Q. He was not at that time?—A. No, Mr. Graham had been appointed for Nova Scotia at the time.

Q. But he had been in the past?—A. He had been in the past.

Q. And Mr. McCordock states there that he immediately set out to find where this Gaspereau river was, and he names one in Nova Scotia, one at Grand Lake, and one on the C.P.R.—A. In Sunbury county.

Q. And he also states he asked Mr. Shewen, who is he?—A. The resident engineer at St. John.

Q. And also Mr. Scammell, who you have said is the resident engineer at St. John?—A. For St. John harbour.

Q. If they knew of any other Gaspereau river, and they both looked over the charts with him, and said they knew of no other?—A. That is correct, that is what this report states.

Q. And you yourself had sent the instructions to the superintendent of dredging at North Sydney, C.B.?—A. I had, yes, sir.

Q. Where there is a Gaspereau river, there is a Gaspereau river in Nova Scotia?—A. There is a Gaspereau river in Nova Scotia.

Q. What is the next paragraph?—A. (Reads):

'On inquiring of the minister I found the work proposed at Port Elgin in Westmorland county, N.B., and have visited and examined the place, and only to-day received from Mr. D. M. Graham the papers you directed would be sent to me.'

Q. So that in connection with that paragraph Mr. McCordock states that it was on inquiry of the minister he found out where this work was.—A. That on inquiry he found from the minister that the work was at Port Elgin, yes.

Q. But on inquiring of Mr. Shewen, the resident engineer, and Mr. Scammell, the resident engineer at St. John, and going over the charts himself, he, as superintendent of dredging did not know on October 9, or when he received your letter, where the work was?—A. Evidently that is it, from his letter.

Q. And it was only on inquiring from the minister that he found out where it was?—A. That he found it out, yes.

Q. And what else does he say in that letter?—A. (Reads):

'I report that up to yesterday 21,268 cubic yards are reported by the inspector as being removed. In many places in the river there is but two feet of water at low water, and to move the scows ahead so the spoil from the bucket may be deposited into the scow, first the dredge requires to dredge a trench twenty-five feet wide to eight feet depth at low water, throwing the spoil to one side, then when this trench is dredged a



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distance, the dredge is moved back to take out the remaining width, thirty-five feet, and the scow is floated in the trench just made.'

Q. Now, in reference to that, that means that the dredge had to dredge its way into this place?—A. Certainly, there were only two feet of water in the river.

Q. And they made a trench and threw the spoil to one side?—A. Yes, to allow the dredge to come in, and then the scows are brought alongside as the dredge is making the other cut.

Q. So they handled that material twice?—A. They had to evidently.

Q. They threw it into the water at the side first, and then they came back and had to handle it over again?—A. Yes.

Q. And they got paid for it?—A. As they did the work twice there is no reason why they should not be paid twice, I suppose, for it.

Q. At 90 cents a yard?—A. At 90 cents, the price agreed upon.

Q. Go on, please, read the rest?—A. (Reads):

'I am of the opinion that from the exposed position of the dredging and the detention from shallow water and the difficulty in getting coal and water from the shore out two miles to the dredge, where it has to remain at anchor in all weather, that the amount of 90 cents named in the tender is a fair rate per cubic yard. The contractor claims that he is, by custom, to receive an equivalent in yardage for the time spent in trenching and throwing on one side the spoil taken out of the trench, this to be calculated by the amount removed in the barges and time of dredging the same as compared with that during trenching.

'The contractor has removed in 36 days working, 21,264 cubic yards, an average of 596 yards per day, or counting days not working, making 45 days, an average of 472 cubic yards.

'This report will only refer to work on the Gaspereau river, Port Elgin, Westmorland county, N.B.

'I have the honour to be,

'Yours obediently,

'(Sgd.) W. J. McCORDOCK,  
'Superintendent.'

Q. I call attention to the fact that this contract—this is in connection with the last paragraph of that letter—referred not only to the work at Gaspereau river, but to the work at Buctouche beach and other places?—A. Yes.

Q. And it was at 90 cents the contract was given; his tender for Pointe du Chene, Buctouche beach and Buctouche harbour was at 90 cents, the same as at Gaspereau?—A. It was for 90 cents at all the places mentioned on that list.

Q. Now, in connection with the Pointe du Chene dredging for which the Maritime Dredging and Construction Company tendered at 90 cents per cubic yard, the same as for the Gaspereau river, you have a report there from Mr. Geoffrey Stead, the original, Mr. Doody tells me, is not brought down, but he gave me that as a copy of the original report—is there a reference in that to Pointe du Chene?—A. Yes.

Q. What does that say?—A. (Reads):

'At Pointe du Chene, at the entrance of Shediac harbour, dredging has been carried on at various times and is still required. I inclose copy of a report of the 3rd of November, 1906. He estimated the quantity to be removed, according to my report, at 90,000 cubic yards barge measurement, which, at 15 cents per cubic yard, will cost \$13,500.

Yours obediently,  
GEOFFREY STEAD,'

Q. So that you have a report in your file of the 9th of July, 1908, in which Mr. Stead estimates the cost of dredging at Pointe du Chene at 15 cents per cubic yard?—A. Yes.

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Q. And this Maritime Dredging and Construction Company's tender for the Pointe du Chene dredging was 90 cents per cubic yard, the same as at the Gaspereau river?—A. Yes.

Q. Now, have you in your file there a telegram from Mr. Hunter to Mr. Pugsley?—A. What date, sir?

Q. The 16th of October, 1908, you telegraphed to the minister at St. John?—A. Yes.

Q. Just read that letter, please?—A. It is a telegram. (Reads):

'Hon. William Pugsley,  
Minister of Public Works,  
St. John, N.B.

Deputy Minister informs me that you have Maritime Dredging and Construction Company's tender for dredging Gaspereau river, Westmorland county. Would you kindly let me know prices quoted for ordinary material and casting over so that progress estimate may be made out and paid.'

Q. You telegraphed Mr. Pugsley on the 16th of October at St. John that the deputy minister had informed you that the minister had the Maritime Dredging and Construction Company's tender with him at St. John?—A. Yes.

Q. He was at St. John?—A. Yes.

Q. And you asked him to quote you the price of the tender?—A. Yes.

Q. Both for ordinary materials and for casting over?—A. Yes.

Q. So that the progress estimate might be made out and paid?—A. Yes.

Q. Have you the minister's reply?—A. Yes. (Reads):

'ST. JOHN, N.B., October 16, 1908.

E D. Lafleur, Chf. Engr. D.P.W., Ottawa.

Price materials Gaspereau river ninety cents; have mailed tender to deputy.

WILLIAM PUGSLEY.'

Q. And in the department you have no record of that, but the minister had the tender with him down at St. John?—A. Evidently.

Q. Now, you have already pointed out that the tender did not quote any price for casting over?—A. No, sir.

Q. And the minister replied that the price was 90 cents?—A. Yes.

Q. And that is applicable to ordinary materials as well as casting over?—A. No, there is no mention of 'casting over'; he says 'price materials Gaspereau river ninety cents.'

Q. But your letter asked for the price for ordinary materials and casting over both.

Mr. CARVELL.—The witness should not be asked to put a construction on the minister's telegram; that is for the committee.

The CHAIRMAN.—That is for us; it is not for the witness.

*By Mr. Crocket:*

Q. This witness sent a telegram to Mr. Pugsley who had the Maritime Dredging and Construction Company's tender with him at St. John, asking him to let him know 'prices quoted for ordinary material and casting over; you did that, did you not?—A. I did.

Q. And the minister replied, 'Prices materials Gaspereau river ninety cents,' that is right, is it not?—A. That is what he replied, yes.

Q. You have already told me that in the tender there was no price mentioned for casting over?—A. It appears by the tender, does it not?

Q. Now, Mr. Lafleur, I am going to ask you this: What is the practice of your department in paying for material cast over when there is no provision in the contract?—A. The question has been decided by the Auditor General, I think, and by

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myself, to the effect that when there is no price for casting over mentioned in the tender the same price is to be paid for casting over, providing the casting over is done upon the instructions of the resident engineer.

Q. Provided it has been done upon the instructions of the resident engineer?—

A. Whether verbal or written, it does not matter, providing the casting over is necessary and cannot be avoided.

Q. As a matter of fact was 90 cents allowed for the casting over?—A. I have not seen the balance of the correspondence.

Q. Just look at the Auditor General's Report here (handing volume to witness).—

A. It appears that 60 cents only was paid for casting over.

Q. So that you were hardly correct in your statement. Can you not run through that and state whether it is not the rule of the department where there is no provision in the tender, to pay two-thirds of the contract price for material cast over?—A. It was the rule until some time ago, I do not remember exactly when I gave my decision of the interpretation of the contract which was that if no price was mentioned for casting over, if the material had been deposited on the instruction of the engineer in charge, or if the casting over was due to absolute necessity; if it were impossible to do the work otherwise, then the contract price should be paid.

Q. About how long has that obtained in the department, it has been within a year or so, has it not?—A. Yes, more than that, if I remember well, I think it was on last season's work.

Q. That is a new rule you have adopted, that if the resident engineer of the department orders it, you pay the same price for the material dredged and dumped on the side of the scow as you would if it were dumped three miles away?—A. Because—

Q. Is not that so?—A. Yes, because the contractor dumps it as provided for in his tender, 'where directed by the engineer.'

Q. Now then, the tender came back from the minister, and there is a letter here, dated on the same day, October 16, that you wired the minister, and that he telegraphed to you, addressed to the deputy minister?—A. I haven't it here.

Q. That (handing document to witness) is a copy of a letter from Mr. Pugsley to Mr. Hunter, as furnished by the officers of the Public Works Department, I saw the original of it here yesterday, but it does not seem to be here now. Will you read that, please?—A. (Reads):

'OFFICE OF THE MINISTER OF PUBLIC WORKS OF CANADA,

'ST. JOHN, N.B., October 16, 1908.

'DEAR MR. HUNTER,—I return you tender of Maritime Dredging and Construction Company for work at Gaspereau river, &c. I understand that Mr. McCordock has reported that the price asked for Gaspereau is reasonable. I shall be glad if you will confer with the chief engineer and have the necessary recommendation to council prepared.

'Yours sincerely,

'Sgd.) WILLIAM PUGSLEY.'

Q. So you got direction on October 16 from the minister at St. John, or Mr. Hunter did, to confer with you as chief engineer, and to have the necessary recommendation to council prepared?—A. Yes.

Q. What was that for?—A. I do not know that I am—

Q. It was to authorize the work, I suppose?—A. To authorize the work.

Q. Which had been in progress since the month of August.—A. According to this correspondence.

Q. And according to the returns and the accounts and everything else?—A. There is proof of it, I suppose.

Q. Have you the copy of the report to council?



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Mr. J. B. HUNTER, Deputy Minister of Public Works,—The reports to council are regarded as confidential documents. The Privy Council can, I suppose, present anything it chooses, but that department keeps all orders in council, copies are furnished for our information.

Mr. CROCKET.—This is about the only case in which I have found the report to council omitted. There is the order in council, but I have seen returns time and again in which the report to council has been included and they have not been withheld from this committee.

Mr. HUNTER.—There is no reason for withholding it, I merely wanted to mention the fact that it is regarded as confidential.

Mr. CROCKET.—I want to make the return complete, that is all.

(Document produced.)

Mr. CROCKET.—I will put this in (reads):

‘DEPARTMENT OF PUBLIC WORKS OF CANADA,

‘OTTAWA, November 14, 1908.

‘To His Excellency the Governor General in Council:

‘The undersigned has the honour to recommend that authority be given to accept the tender of the Maritime Dredging and Construction Company, of St. John, N.B., to perform dredging in the Gaspereau river, province of New Brunswick, at the price of 90 cents per cubic yard, scow measurement, the above bid being the only one received in answer to public advertisement. The tenderers have furnished an accepted bank cheque for \$6,000 as a security for the fulfilment of their dredging contracts in the said province. The expenditure in connection with this dredging is properly chargeable to the appropriation of \$650,000 for dredging in the maritime provinces granted by parliament at its last session.

‘The chief engineer of the Department of Public Works has reported that the price above quoted is fair and reasonable.

Respectfully submitted,

(Sgd.)

WILLIAM PUGSLEY,

*Minister of Public Works.*’

And the order in council, I will put that in as well (Reads).

CERTIFIED copy of a report of the Committee of the Privy Council approved by His Excellency the Governor General on November 20, 1908.

The Committee of the Privy Council, on the recommendation of the Minister of Public Works, advise that authority be given to, accept the tender of the Maritime Dredging and Construction Company, of St. John, N.B., to perform dredging in the Gaspereau river, province of New Brunswick, at the price of 90 cents per cubic yard, scow measurement, the above bid being the only one received in answer to public advertisement. The tenderers have furnished an accepted bank cheque for \$6,000 as a security for the due fulfilment of their dredging contracts in the said province. The expenditure in connection with this dredging is properly chargeable to the appropriation of \$650,000 for dredging, maritime provinces, granted by parliament at its last session. The chief engineer of the Department of Public Works has reported that the price above quoted is fair and reasonable.

Such contract to be for work done up to close of calendar year.

RODOLPHE BOUDREAU,

*Clerk of the Privy Council.*

The Honourable

The Minister of Public Works.’

Q. So that the order in council authorizing this contract was passed on November 20 and the work has been in progress since early in the month of August, that is correct is it?—A. Apparently.

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Q. Now do you know if the cheque was deposited?—A. I could not tell you.

Q. You do not know whether there was an amount refunded, an amount paid back to them by reason of its being more than was required?—A. I have no knowledge of that.

Q. I am not sure, but I think that appears from the return somewhere. Now on October 19, 1908, if you will turn to your file again, you have a letter on it of that date from Mr. J. K. Scammell, resident engineer at St. John?—A. Yes.

Q. You might put that in, please?—A. (Reads):

‘DEPARTMENT OF PUBLIC WORKS, CANADA,

OFFICE ENGINEER IN CHARGE DREDGING,

ST. JOHN, N.B., October 19, 1908.

SIR,—In reply to your telegram of the 5th inst. I saw the Maritime Dredging and Construction Company of St. John, N.B., and visited Gaspereau river on October 7 where a personal inspection was made of the work being done at that place in connection with dredging a channel 60 feet wide to a depth of 8 feet at low water and making a face of from 5 to 7 feet in order to secure a passage into the village of Port Elgin, parish of Botsford, Westmorland county, N.B.

I found the dredge *Iroquois* at work at that place with a tow boat *The Calluna* and two barges. The work there is progressing with extreme difficulty, which I have reason to believe will increase as the season advances and much time will be lost on account of the high winds as the dredge is very much exposed to easterly and southeasterly gales and there is no shelter afforded in the least. I found that dredging commenced August 17 and from the 17th to the 26th 2,946 cubic yards were removed, being 34 scows in nine days or an average of 325 cubic yards per day. Up to September 5, 7,677 cubic yards were removed, or 87 scows in 18 days, being an average of 426 cubic yards per day. During the two days previous to my visit, viz., October 5 and 6, I found 1,159 cubic yards removed on the first day or 5 barges and 1,324 cubic yards or 6 barges on the second day, which shows under favourable working conditions the dredge is capable of doing good work.’

Q. Now what do you say about the removal of 1,324 cubic yards in a day?—A. That is an average day’s work.

Q. That is an average day’s work?—A. Yes.

Q. That is at 90 cents a yard, 1,324 yards you say is an average day’s work?—A. It is an average day’s work.

Q. It depends upon the capacity of a dredge, I suppose, does it not?—A. Well, even with a yard dipper a dredge will do that in a day.

Q. That is a good average for a day’s work, is it not, 1,324 yards?—A. That is an average day’s work.

Q. Now just go on with the remainder of the letter please.—A. (Reads.)

‘At high water the place of deposit of spoil is a half a mile, and at low water two miles from the site of the work, the material dredged being clay, sand and oyster shells. Neither the dredge nor the tug can get into the creek except on the spring tides and this necessitates the water supply being pumped by a gasoline engine and towed out to the dredge at a great expense, this also applies to the coal used.

‘Under the circumstances it would be fair and reasonable to pay the present rate as called for under the contract with the Maritime Dredging and Construction Company’

Yours obediently,

(Sgd.) J. K. SCAMMELL,

Resident Engineer.

Mr. EUGENE D. LAFLEUR,  
Chief Engineer,

Department of Public Works,  
Ottawa.’

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Q. That is the gentleman you were instructed by telegram by the Minister of Public Works, from St. John, to send there as arranged?—A. Yes, sir.

Q. There is a letter on the file here from Geoffrey Stead to John E. Moore, Esq., Manager the Maritime Dredging and Construction Company, St. John, N.B., which I want to read:

*'Subject Gaspereau River.'*

DEPARTMENT OF PUBLIC WORKS, CANADA,  
RESIDENT ENGINEER'S OFFICE,  
CHATHAM, N.B., October 26, 1908.

DEAR SIR,—In reply to your letter of the 23rd inst., I have been sending the reports of dredging at Port Elgin to Ottawa each week, but several have lately been returned to me, through a misunderstanding of the reports. I wrote explaining the matter and received a telegram on Saturday asking for the returned reports, which I at once forwarded.

Would you kindly make up your account, four copies of each, for dredging during the months of August and September. These must be certified by the inspector, and I will then forward them.

Though I have asked for it, I have had no notification of your having been awarded the contract, and do not yet know your price.

(Sgd.) GEOFFREY STEAD,  
*Resident Engineer.'*

Q. Now, have you any recollection of Mr. Stead sending those returns up and their being returned to him?—A. I do not remember.

Q. You have no explanation to offer of that?—A. I do not remember anything of the kind having taken place; they may have, because if they were sent to the department here not properly certified by the inspector they may have been returned.

Q. Well, that is what he says, that they were returned?—A. That is right; if he says so I suppose they were.

Q. Have you anything on your file in reference to that?—A. I do not think there is anything here.

Q. You have no explanation to offer of that?—A. Well, I do not think the matter requires any explanation. I suppose, as Mr. Stead says there, that the accounts were returned that they must have been returned.

Q. Upon this letter from Mr. Stead to Mr. Moore there is this memorandum written, signed by 'W. Pugsley,' 'for attention of chief engineer'?—A. Yes.

Q. Do you think that this letter came before you, a letter addressed by Geoffrey Stead to John E. Moore, and noted by Mr. Pugsley, or bearing a memorandum by him, 'For attention of chief engineer'?—A. Well, if that letter had been presented to me I suppose there would be a memorandum of mine on it.

Q. Well, it is there, you will find it there in your return?—A. What letter is that?

Q. A letter by Geoffrey Stead to John E. Moore?—A. What is the date of the letter, please?

Q. The 26th of October, 1908, that is the election day?—A. No, I have no such letter here on my file.

Q. That is not a letter to you, it is in the other file. That (handing document to witness) is the original letter, and there is the memorandum 'For attention of chief engineer;' that is on that letter, is it not?—A. Yes.

Q. So that you have no doubt that matter came before you?—A. I have my doubt whether it did or not, because there is no note of mine on this.

Q. Now, on the 29th of October I think you will find something on your file, a telegram from Geoffrey Stead to Mr. Lafleur?—A. On the 29th of October, 1908, Mr. Stead wired me as follows:—

'Am on way to Gaspereau river to obtain information *re* dredging requested in your telegram of twenty-eighth inst.'



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Q. He refers there to a telegram of yours?—A. A telegram of mine of the 28th.

Q. Will you just read your telegram to him of the 28th, to which that is a reply?

—A. (Reads):

‘OTTAWA, October 28, 1908.

GEOFFREY STEAD,

Resident Engineer,

Chatham, N.B.

Dredging returns for Gaspereau river do not state quantity cubic yards cast over. This information required. Please forward it immediately.’

Q. Having read that telegram you have no doubt of the fact that the dredging returns did not state the quantity of material cast over?—A. Now that I have read the telegrams it must have been so.

Q. And you have read the telegram from Mr. Stead in which he informs you that he is on his way to get the information?—A. Yes.

Q. Now, have you the reply of Mr. Stead on the 30th of October?—A. October 31.

Q. I have one here of October 30 from Sackville?—A. No, I have not that telegram here. Well, I have a telegram here that would be a reply to mine.

Q. What is it?—A. (Reads):

‘CHATHAM, N.B., October 31, 1908.

‘E. D. LAFLEUR,

‘C.E., P.W.D., Ottawa.

‘In reply to your telegram, dredging inspector, Gaspereau river, kept no account of cubic yards of material cast over, therefore cannot give exact amount. I estimate about six thousand cubic yards.

‘GEOFFREY STEAD.

‘Resident Engineer.’

Q. So that you were informed there on October 30, is it?—A. The 31st.

Q. By the resident engineer that the inspector had kept no account of the material cast over?—A. He had kept no account of the material cast over.

Q. There must be another telegram there, I think you will find it there, on October 30, from Sackville.—A. No, there is not.

Q. But you must have that there somewhere.—A. No, I have gone over this file one by one, and it is not there.

Q. This is a copy of a telegram which was given to me by Mr. Doody of the department?—A. Yes.

Q. As taken from your file (reads):

‘SACKVILLE, N.B., October 30, 1908.

‘EUGENE D. LAFLEUR,

‘Chief Eng’r, P.W.D., Ottawa, Ont.

‘In reply to your telegram, material cast over in trenching at Gaspereau river was removed when widening cut and is included in quantities in scow loads given in inspectors reports.’

Do you remember getting a telegram like that in addition to the other?—A. No, sir. I do not remember.

Q. You say you haven’t that on your file either?—A. No, I haven’t it on my file here.

Q. Have you got a telegram, any further telegram from yourself to Mr. Stead, on October 31?—A. No, sir.

Q. You must have that there. Well, this is also a copy that Mr. Doody furnished me of a telegram sent by you to Geoffrey Stead, resident engineer, Sackville, N.B., on October 31:

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'Telegram *re* Gaspereau river received. Dredging returns do not give number of cubic yards cast over, and that is the information I want. Please wire it immediately.

*'Chief Engineer.'*

And it was in reply to that telegram that you received the telegram you have already read from Mr. Stead, in which he says that the dredging inspector kept no account of the number of cubic yards of material cast over. You have no doubt that is a copy of your telegram which Mr. Doody has presented to the committee?—A. I suppose Mr. Doody must have found the original.

Mr. Doody.—The original is there somewhere among the papers.

Q. This (handing document to witness) is the original of one of the telegrams I have already read. You do not wish me to read them over, you have heard a copy of that read?—A. Yes.

Q. And you hold in your hand the originals of those copies I have read?—A. Yes.

Q. Going on to November 4, there is a telegram from you to Mr. Stead?—A. Yes.

Q. Have you that telegram, what does it say?—A. (Reads):

'To GEOFFREY STEAD,

'Resident Engineer, Chatham, N.B.

'Please ascertain from Maritime Dredging and Construction Company their price for casting over at Gaspereau river.

*'Chief Engineer.'*

Q. So that you direct the resident engineer there on November 4 to ascertain from the Maritime Dredging and Construction Company their price for casting over?—A. Yes.

Q. You could not determine it in your department yourself, you had to apply to the contractor?—A. I wanted to know their price, whether they wanted to make a different price from their tender.

Q. You wanted what?—A. I wanted to ascertain whether they would make a lesser price than their tender.

Q. That is all you did in the matter?—A. That was the intention in the matter.

Q. Now, there is this further from the file, on November 6, that is simply a notice from Mr. E. T. P. Shewen, resident engineer at St. John, in which he states:

'In reply to your letter, received yesterday, I inclose, duly executed by the Maritime Dredging and Construction Company and witnessed by myself the contract for dredging at Gaspereau river, N.B.'

That is on November 6?—A. Yes.

Q. There is a telegram from Mr. Stead to you on November 6?—A. Yes, sir.

Q. What does that say?—A. (Reads):

'CHATHAM, N.B., November 6, 1908.

'E. D. LAFLEUR, Ottawa.

'In reply to your telegram, the Maritime Dredging and Construction Company state that two-thirds the barge measurement price is their regular price for casting over; they claim that eight thousand cubic yards were cast over at Gaspereau river.'

Q. So that when they were asked their price all they claimed was two-thirds for casting over, notwithstanding what you have said was the new rule adopted by the department that they would be entitled to the contract price for any casting over on the ground that it was directed by the engineer.—A. Notwithstanding what I have said.

Q. Now, on November 7 there was this certificate signed by the secretary of the Public Works Department, that is not on your file but on the file given by the department.

'I hereby certify:

1. That tenders were called under date of the 28th July, 1908, and were received until August 14th, 1908, for the execution of dredging in Gaspereau river, N.B.

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2. That a tender was received from the Maritime Dredging and Construction Company;

3. That this tender being found correct in every respect was accepted by the department;

4. That the price of the above bid, viz.: ninety (90) cents per cubic yard, was reported by the chief engineer of the Department of Public Works, as being fair and reasonable;

5. That the cost of this dredging is to be charged against the appropriation of \$650,000 for dredging, maritime provinces;

6. That on November 4, 1908, the chief engineer has recommended that, pending the settlement of the company's account for dredging performed in the Gaspereau river, the Maritime Dredging and Construction Company be paid the sum of (\$13,700) thirteen thousand seven hundred dollars, work to that amount having been performed by them. And I have signed.

## SECRETARY PUBLIC WORKS DEPARTMENT.

That you see is dated on November 7, and it was with a view of obtaining that certificate, was it not, that you got into communication with Mr. Skead to get these returns?—A. I cannot say now what prompted me.

Q. Having looked over that correspondence, have you any doubt that it was the fact?—A. That correspondence does not give me any reason I may have had at the time for doing so.

Q. Are you unable to say that having read these telegrams that were passing back and forth just a few days before that the object you had in view was to obtain a certificate of payment?—A. A certificate for payment, do you mean?

Q. Yes, that those telegrams must have had that in view?—A. I suppose they must have had it.

Q. You have no more than what appears by the telegram?—A. That is all I had.

Q. And that the inspector of dredging kept no account of material cost over?—A. No, and that Mr. Stead's estimate was 6,000 yards.

Q. In what telegram was that?—A. In his telegram of the 31st October.

Q. The telegram of the 31st of October?—A. Yes, he says that the inspector kept no account of cubic yards of material cast over, therefore cannot give exact amount. I estimate about 6,000 cubic yards and he said in a later telegram the contractor stated that they had done 8,000 cubic yards.

Q. The contractors claimed they had done 8,000 yards?—A. Yes, for which they will accept 60 cents instead of 90.

Q. You say that you had that before you then that telegram on the 10th of November, 1908, when you sent a telegram to Mr. Stead?—A. That telegram is not here.

Q. It is certainly among the papers, this is the copy that Mr. Doody gave me.

'PUBLIC WORKS DEPARTMENT,

OTTAWA, November 10, 1908.

GEOFFREY STEAD,

Resident Engineer,

Chatham, N.B.

Please send duly certified account in duplicate, favour Maritime Dredging and Construction Company for eight thousand cubic yards cast over at Gaspereau river, at sixty cents a yard. This should be accompanied by your report stating how figures mentioned were arrived at.

CHIEF ENGINEER.'

You have already stated that before you sent that telegram you had the statement of the resident engineer that he estimated it at 6,000 cubic yards, and you also had the claim of the contractor at 8,000 cubic yards?—A. Yes.

Q. And after that you instructed the resident engineer to certify for 8,000 cubic yards?—A. At 60 cents, yes, certainly. That would certainly not be in favour of the



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contractor. I was adopting the contractor's figure instead of the resident engineer's; he made it only 6,000.

Q. You instructed the resident engineer, from whom you had an estimate at 6,000 yards, to certify at 8,000 yards?—A. Certainly, because the contractor in his statement said they had made 8,000 yards.

Q. Now, on the 19th of November there is a letter from Mr. Stead to yourself; have you that there?—A. No, but I have one from myself to Mr. Stead.

Q. From you to him, I should have said; what does that say—A. (Reads):

‘SIR,—I would like you to try to ascertain by soundings and calculations the actual quantity of material cast over at Gaspereau river, N.B., by the Maritime Dredging and Construction Company. A satisfactory explanation must be given the Auditor General before payment can be made the company. Kindly, therefore, give this matter your careful and immediate attention.

Yours obediently,

CHIEF ENGINEER.’

Q. On that date you instructed him to try and obtain by soundings and calculations the actual quantity cast over?—A. Yes.

Q. There had been no account kept by the inspector, and that was the only method by which that could be determined?—A. Evidently; he had a plan previous to the time the dredging was commenced.

Q. Now, on the 8th of January, 1909, there is this certificate from Mr. A. G. Kingston, accountant, Public Works Department, Ottawa:

‘This is to certify that work has been performed by the Maritime Dredging and Construction Company under their contract with this department for dredging at Gaspereau river, N.B., to the value of sixteen thousand six hundred and sixty-nine dollars and sixty cents (\$16,669.60), in excess of all payments which amount I have been authorized to pay so soon as funds for that purpose shall have been voted by parliament.

(Sgd.) A. G. KINGSTON,

Accountant.

Quantity dredged, 33,744 c. y. at 90c. . . . .	\$30,369 60
Paid . . . . .	13,700 00
	<hr/>
	\$16,669 60'

Had you before you anything further than what you have already quoted when that certificate of credit was issued?—A. Well, I do not know that that is a certificate of credit; it is an estimate.

Q. I have read a copy of it; you have no doubt that that was issued?—A. Certainly, I have no doubt of that.

Q. On the 11th of January, 1909, there is a letter from the Maritime Dredging and Construction Company to the deputy minister. (Reads):

‘MARITIME DREDGING & CONSTRUCTION COMPANY.

‘JOHN E. MOORE, MANAGER.

‘ST. JOHN, N.B., January 11, 1909.

‘J. B. HUNTER, Esq.,

‘Deputy Minister of Public Works,

‘Ottawa, Ont.

‘DEAR SIR,—We are in receipt of your favour of 5th inst. We have again taken the matter up with Mr. Stead, the resident engineer at Chatham, N.B. We have forwarded him in quadruplicate account for the total yardage as well as the cast over,

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all being in the same account, and have asked him to forward them without delay to your department at Ottawa. We trust you will have the matter arranged now so you can be in a position to forward us the letter of indebtedness.

‘Yours faithfully,

‘MARITIME DREDGING & CONSTRUCTION CO.

‘(Sgd.) JOHN E. MOORE, Manager.’

And there is the reply from the deputy minister on January 13:

‘I have your favour of the 11th inst., in reference to accounts for dredging in Gaspereau river. Separate accounts should be sent in, one covering the total yardage scowed away, and another for the yardage cast over.’

There never was an account of the material cast over?—A. That I could not tell you.

Q. Well, you have read the telegram stating that the inspector kept no account?—

A. The inspector kept no account, but certainly there must have been some account taken, because payment was made on the charge of 60 cents per cubic yard, the Auditor General’s Report shows that.

Q. A calculation of it on Mr. Stead’s estimate and the contractor’s statement?—

A. Well, no, it is not Mr. Stead’s estimate, on the contractor’s statement.

Q. That was paid on the contractor’s statement?—A. Yes, sir, because the yardage was more, considerably, on the contractor’s statement than it was on Mr. Stead’s estimate.

*By Mr. Barker:*

Q. And so you paid more?—A. No, we paid on a larger number of yards, a much larger quantity, but at less price; we would have had to pay on less by 2,000 cubic yards at 90 cents.

*By Mr. McKenzie:*

Q. Is there any well defined method by which a record can be kept of casting over?

—A. The only method we have is to verify it by a survey showing the soundings all over the area, and we can then by measuring the cut know what material has been moved.

Q. There is no possibility of measuring it in any way if it is not put on the scow?

—A. Oh, yes, if we have a regular plan showing the soundings all over.

Q. What I mean is that you can measure the cut?—A. Yes.

Q. And you can measure what has been taken out of it?—A. Yes.

Q. But you do not measure the stuff itself as it is taken out?—A. Oh, no, certainly not, except that we count every bucket that is taken out and see that every bucket is really full.

*By Mr. Carvell:*

Q. That is you can measure it *in situ* but not by scow?—A. Not by scow, but either by bucket measurement or *in situ*.

*By Mr. Crocket:*

Q. As a matter of fact this was not measured by scow or any other way, was it?

—A. I do not think it was.

Q. You said you have paid for a larger quantity, you do not know really about the payment, but you directed the engineer to certify for a larger quantity than he estimated?—A. For a larger quantity, but at a lesser price. Now there is one other letter, of January 13, from the company to Mr. Hunter. (Reads):

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'ST. JOHN, N.B., January 13, 1909.

'J B. HUNTER, Esq.,

'Deputy Minister of Public Works,

'Ottawa, Ont.

'DEAR SIR,—We are in receipt of your favour of 11th inst., inclosing certificate of indebtedness for \$16,669.60, same being on account of the Gaspereau dredging, and for which we are extremely obliged.

'We forwarded the account to Mr. Stead some few days ago, covering 33,744 cubic yards at 90 cents, amounting to \$30,369.60, which we presume will reach you before many days. We also included the cast over in this account.

'Yours respectfully,

'MARITIME DREDGING &amp; CONSTRUCTION COMPANY.

' (Sgd.) JOHN E. MOORE, Manager.'

Now, that is all of the return. I wanted, Mr. Lafleur, to take you into some of these accounts, but as it is one o'clock now I suppose I will have to continue your examination on some other occasion.

Witness retired.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, February, 16, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee proceeded to the further consideration of the payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging at Gaspereau river as set out at page V-290, Report of the Auditor General for the fiscal year ended March 31, 1909.

Mr. EUGENE LAFLEUR, Chief Engineer, Public Works Department, recalled:

*By Mr. Crocket:*

Q. I want to put this letter, written by the Deputy Minister on the 5th of January, to which the letter of the Maritime Dredging and Construction Company of the 11th of January, 1909, which was put in at the last sitting of the Committee, is a reply. This is dated 5th January, 1908, which is a mistake, apparently, this a copy taken from the Departmental letter book and it should be '1909,' as follows:

GENTLEMEN.—Your letter of the 26th ult., to Hon'ble Dr. Pugsley *re* Gaspereau dredging has been handed to me, I shall be very glad to have forwarded to you certificate of indebtedness just as soon as accounts in full for work done last season have been received; that will have to be attended to by yourselves and the resident engineer.



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He has been written to several times but I am informed by the chief engineer that up to the present only partial accounts have been received. Kindly give the matter your prompt attention and everything will be put in order at this end as soon as you furnish us with means for so doing.

Yours truly,

(Sgd.)

*Deputy Minister.*

The Maritime Dredging and Construction Co.,  
St. John, N.B.

Q. Have you the contract, Mr. Lafleur, for the dredging of the Gaspereau river?  
—A. No, sir, I have not.

Q. Well, it will be here, will it not, among those papers—this (handing document to witness) is a copy of the specification for the dredging at Gaspereau river, is it not?—A. Yes.

Q. The spaces in that printed form were filled in, I suppose, by the Maritime Dredging and Construction Company?—A. By the contractors, yes.

Q. It is the practice of the department to forward forms of specification and tender to the persons desiring to tender?—A. Yes, they are generally deposited in certain specified localities where intending contractors can get them.

Q. Now, in regard to the dredging at Gaspereau, is there any specification of any kind given as to the character of the work that is to be done or as to the depth to which the dredging is to be done?—A. No, I do not think so, sir.

Q. Or the particular location in which it is to be done?—A. No, sir.

Q. It is just a blank specification for dredging at Gaspereau?—A. At Gaspereau river, for the department to have the dredging performed at whatever locality or to whatever depth required.

Q. But in this specification the department had no plan or specification showing in detail what work was to be performed?—A. Not other than the specification here.

Q. I see, there is no specification showing just the depth to which the dredging is to be done or the particular location in which it is to be done?—A. No, sir.

Q. Is it the usual practice of the department to call for tenders for dredging in that way?—A. That has been the practice ever since we have been calling for tenders for dredging except in some very specific instance.

Q. For instance, when dredging has to be done in the Harbour of Dalhousie, do you tell me that the specification on which you call tenders is simply for dredging at Dalhousie?—A. For dredging at Dalhousie as directed by the engineer.

Q. And do you indicate whether it is at a private or a public wharf, or give any indication as to location of any kind?—A. Not generally.

Q. Nor the depth of which the dredging is to be done?—A. Not generally.

Q. And that practice was followed in this case?—A. Yes.

Q. Now the form of specification contained a blank space for the filling in of the capacity of the dredge which is to be used?—A. Well, the new form does, I do not know whether this form is of that character or not.

Q. That one does, does it not?—A. (After examining document.) Yes, that does.

Q. And is the capacity of the dredge per hour stated?—A. No.

Q. Although the form requires that the capacity of the dredge shall be stated it is not stated in this instance?—A. It is not sir.

Q. The name of the dredge is given as the *Iroquois*, is it not?—A. The *Iroquois*.

Q. Do you know anything about the dredge *Iroquois*?—A. No, sir, not personally, I have heard of it.

Q. Had it done work for the department before it fell into the hands of the Maritime Dredging and Construction Company?—A. Yes, sir, if I remember it was dredging in the River Saguenay.

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Q. Have you any personal knowledge as to when the Maritime Dredging and Construction Company or Mr. Moore acquired this dredge?—A. No, sir, not personally.

Q. It is the rule of the department, is it not, Mr. Lafleur, that no dredge can be employed by the department which is not registered in Canada?—A. At the date of calling for tenders—yes, that is generally specified.

Q. The dredge which is to do any work for the government must be registered in Canada at the time of calling for tenders; and where is that registry made?—A. I am not familiar with that part of the work.

Q. You do not know in what department registration of dredges is made?—A. It will be in the Marine and Fisheries Department, I suppose, I do not know.

Q. It is in the Marine and Fisheries Department, and I notice from the registration that this dredge was bought by John E. Moore from E. A. D. Morgan on the 10th of July, 1908, and you tell me that it would be possible for this dredge to be at Montreal on the 10th or 12th of July and to be got down to the Gaspereau river by the 4th of August, or the 31st of July?—A. I think so.

Q. You think it would be?—A. Yes.

Q. And you do not know what the capacity of that dredge is per hour?—A. No, sir, I could not say without seeing the returns.

Q. And the capacity of the dredge is not filled in in the specification, neither is the capacity of the scows?—A. No, sir.

Q. And the contract itself, so far as the specification of the work is concerned is this, is it not, to perform 'all the work required to deepen, dredge out and clear wholly and entirely of the obstacles and materials whatsoever at Gaspereau river, province of New Brunswick and at such place or places and in such directions as may be indicated by the engineer in charge of the work, and to such depths and such widths as the engineer in charge may at any time direct or require?'—That is it.

There is no specification beyond that at all?—A. No specification beyond that.

Q. So that as a matter of fact unless the contractor went upon the ground himself and made his measurements and examined the character of the spoil, he is absolutely dependent upon the information he gets from the resident engineer?—A. Yes, exactly.

Q. And any contractor who would tender upon a specification like that would be going it blind, wouldn't he, unless he made an examination himself or unless he got information from the resident engineer?—A. I think he is requested by the specification to make an examination for himself.

Q. He is requested by the specification?—A. Yes.

Q. Where is the direction in the specification there?—A. I think it is there, it generally is.

Q. The specification simply says 'dredging at Gaspereau river.'—A. (Reads.) 'We hereby certify that we have visited and examined the site of the proposed work, or have caused it to be visited or examined by a competent person on our behalf, and have made all inquiries relative to the kinds of materials to be removed.'

Q. That is the specification signed by them?—A. Yes.

Mr. CARVELL.—Would it not be better to call it a tender?

Q. 'Specification and tender'?—A. It is a combined specification and tender.

Q. And they certify there that they have before this tender was submitted to the department examined this location?—A. Yes.

Q. And the only location in that specification was Gaspereau river?—A. Yes.

Q. So that if they examined the particular work which was to have been done they could only have got that information from the resident engineer?—A. Well, I do not know that the resident engineer himself knew before receiving instructions where the dredging was to be done.

Q. You say that you do not know that the resident engineer would know?—A. He would not know the extent of the dredging that the department would require the contractor to do at that certain point because there is another clause in the specification to that effect.

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Q. And that statement which you called attention to in the tender, that they had visited and examined the location of the work that is to be done, would it apply simply to work on the Gaspereau river, without any indication of any kind of the particular character of the work or the particular location of it?—A. Yes, they only certify here that they have made all inquiries relative to the kinds of materials to be removed, there is no quantities, depths or anything else.

Q. Where would they get that information from?—A. Upon instructions when the engineer in charge would lay out the work. He would tell them what dredging would be performed within certain limits and to a certain depth.

Q. And the resident engineer would not be instructed to lay out the work until the tender had been awarded?—A. Unless as is done in some cases the contractors were instructed to go on with the work provided he would accept the price in the lowest tender, that is what was done in this case.

Q. You remember there was a telegram from yourself to, I think it was Mr. Stead, on the 4th of August, 1909, stating that the work had been given to the Maritime Dredging and Construction Company upon condition that their price would be the lowest price that could be obtained upon the call for tenders which was then being issued?—A. I do not know whether the date is correct, but that is the subject matter of the telegram.

Q. And Mr. Stead had received no directions to lay out that work before that date, had he?—A. No, sir, not that I am aware of.

Q. Now, although the specification and tender does not state the capacity of the dredge, the contract itself does give a statement upon that point, does it not? (document handed to witness)—A. Do you wish me to read this?

Q. You can answer the question after having examined the contract.—A. (Reads) 'With a dredge capable of removing, at least 100 yards of the ordinary excavation per hour and with proper tug and scows properly manned.'

Q. The contract calls for at least 100 yards of ordinary excavation per hour.—A. Yes, that is of course under ordinary conditions.

Q. And the contract also requires that 'they' shall work during all the working days continuously 10 hours per day, but not more than 12 hours per day, unless the permission of the engineer in charge of the work be given in writing for the prolongation of the hours of work which permission shall be given only in case the work proceeds to his satisfaction.—A. Yes.

Q. Can you tell me when the inspector was appointed on this work?—A. Not without referring to the correspondence.

Q. You have the correspondence, have you not?—A. No, I haven't it here now.

Q. Well, Mr. Doody has the correspondence (correspondence produced). You have no record of the appointment of an inspector at all, have you?—A. Not in this correspondence here.

Q. Do you usually have a record of the appointment of an inspector for all these dredging contracts?—A. Yes.

Q. And you have no record of the appointment of an inspector of this work at all?—A. The only correspondence I have here deals with the beginning of the work and the payments in connection with progress estimates of the work.

Q. You were asked to bring all the engineer's file and Mr. Doody was asked to bring all the other documents; I have not been able to find any record of the appointment of any inspector.—A. We had an inspector on the Gaspereau river work, although I do not know the date of his appointment.

Q. Yes, I know there was an inspector, there were returns all properly certified as far as that is concerned, but there is no record of his appointment, as appears in all other cases that I have examined. I have the returns here and they are certified by Cyrus Munro, inspector, but there is no direction from you to appoint him as inspector.—A. All such orders generally come from my office.



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Q. The practice in regard to the appointment of inspectors is for you to direct the resident engineer to appoint a particular person as inspector on any particular work?—A. Yes.

Q. And you did not do that in this case?—A. Well, that I cannot tell by this correspondence, there is nothing to show that I did.

Q. There is nothing to show that you did, you say?—A. Yes.

Q. And if you did you ought to have something to show that you had done so?—A. If I had given orders certainly a copy of the correspondence should have been here.

Q. When you speak, Mr. Lafleur, of the capacity of the scow, what do you mean?—A. The number of cubic yards the scow can contain.

Q. The number of cubic yards? That is the maximum quantity that the scow will carry?—A. No, not the maximum quantity, because the scow can carry more than its ordinary capacity, that is the quantity it contains generally counting up to the combing of the scow, that is the top of the box of the scow.

Q. And that is what you mean when you speak of the capacity of the scow, its cubic contents?—A. Yes, the cubic contents of the pocket of the scow.

Q. What directions or instructions are usually given to inspectors of dredging, to new inspectors?—A. Well, in a general way to keep track of the number of scows loaded, whether they are full or not, and if they are not full when sent to the dumping ground, to make such deduction as they think reasonable.

Q. And how is the capacity of spoil measured by an inspector?—A. The engineer in charge measures the capacity of the pockets of the scow, and if the pocket is full the inspector knows that it contains so many yards, that is the measurement.

Q. There is no other measurement then, than the measurement which the resident engineer makes of the capacity, the cubic space of the pocket?—A. The measurement is usually made by the resident engineer himself or by the inspector, or by both.

Q. Well, are those measurements sent to you as chief engineer?—A. No, sir, the only measurements I get are the measurements on the returns.

Q. The measurements on the returns?—A. On the weekly returns.

*By Mr. Reid (Grenville) :*

Q. Are the scows always filled? Are those pockets filled every time?—A. Generally, yes, sir, with very few exceptions.

Q. You say they are filled?—A. Yes.

Q. And if it is only partly filled then it is left to the inspector?—A. To make such deductions as he thinks proper.

Q. It is left to the inspector, not the engineer?—A. Well, the engineer cannot continually be on the work, and the scow is being emptied at one time or the other so that the inspector cannot wait for the engineer.

*By Mr. Crocket :*

Q. The engineer simply makes no measurements beyond ascertaining the capacity of the scow to determine the contents whether it is full or not?—A. Sometimes the scow is divided into zones and then the contents of the different zones, whether it be two feet, three feet or four feet in depth, will be ascertained, but it is very seldom that the scows are of that description.

Q. Can you say whether this scow was divided into those zones?—A. I could not tell you.

Q. And are the measurements made by your department all over Canada in that way in connection with the dredging?—A. Yes, throughout Canada.

Q. And the inspector can tell what number of cubic yards is removed in a day by looking at the scow, that is how it is usually done?—A. He is on the scow and sees whether it is full or not, and he generally requires that the scow be full so as to be sure that the scow measurement is correct.

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Q. And that is what the department depends on in the case you have described?—

A. Except in cases where the measurement has to be in situ.

Q. That is measuring it in place?—A. Yes.

Q. That will be the most accurate way to get at it, would it not?—A. Yes, sir, sometimes, although at times it is not at all accurate on account of filling in.

Q. And you tell me that the resident engineer does not report to you when the contractor begins that he has measured the scows to be used, and that they are of a certain capacity?—A. No, sir, the engineer knows that it is his duty to measure every scow that comes on the work, and to decide what the capacity of that scow is.

Q. But there is no report made to you so that you can satisfy yourself as to their capacity, and to determine when the reports come in whether they are correct or not?—A. No.

Q. All you get is the weekly report of the dredging inspector?—A. Yes.

Q. And is that measurement done by the resident engineer or by the inspector?—

A. As I said a few minutes ago, it is either done by the resident engineer himself or sometimes both measure the scows.

Q. But who does the department rely on for that, is it the inspector as a rule or the resident engineer?—A. Oh, the resident engineer, whether it is done by himself or confirmed by him.

Q. You do not know many of those inspectors personally?—A. No, sir, I do not.

Q. I do not think after examining the returns (documents handed to witness) you will come to the conclusions that this inspector was able to figure the contents of a scow?—A. Well, he seems to be very accurate in his figures.

Q. You have examined a lot of these returns, have you?—A. Yes.

Q. Would you take it, from your examination of these returns that one half of these inspectors were men capable of figuring the contents of a scow?

Question objected to by Mr. Carvell.

The CHAIRMAN.—That is going too far. I do not think you can get evidence regarding all inspectors in that way.

Mr. CROCKET.—I am examining Mr. Lafleur in reference to contracts in New Brunswick.

*By Mr. Crocket:*

Q. Take Mr. Alain, do you remember some of his returns?—No, sir, I do not.

Q. You do not remember his returns?—A. I do not.

Q. Well, I will call your attention later on to that. However, Mr. Lafleur, you tell me that is the practice of the department?—A. It is, sir.

Q. What do you say to 1,324 cubic yards being removed in a day, is that pretty good dredging?—A. That is with an ordinary good dredge.

Q. At 90 cents a yard, that will be \$1,191.60 for the day?—A. I suppose so.

Q. Now on October 5 what dredging did he certify to?—A. 1,159 cubic yards.

And on October 6?—A. 1,324 cubic yards.

Q. The 1,324 cubic yards is removed in 12 hours?—A. 12 hours, yes.

Q. On October 5th, 13 hours and 45 minutes?—A. 13 hours and 45 minutes.

Q. And the contract prohibits him from operating beyond 12 hours per day—

Question objected to by Mr. Carvell.

Mr. CROCKET.—I mean that as a question, Mr. Carvell.

Mr. CARVELL.—I do not want to keep offering objections, but I do not think the hon. member should make a statement and then ask the witness to reply as if it were put in the form of a question.

The CHAIRMAN.—What is it you want to ask the witness, Mr. Crocket.

Mr. CROCKET.—I am asking Mr. Lafleur, as chief engineer of the department, with respect to the hours of operation of this dredge.

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*By Mr. Crocket:*

Q. Does the contract prohibit more than 12 hours work being done in a day unless there is a direction in writing, an authorization in writing given by the resident engineer?—A. That is so, sir.

Q. You can run over these accounts, and that is quite frequent, is it not. Here, take the August accounts, on August 24th, 14 hours 30 minutes; on August 25th, 14 hours; on August 26th, 14 hours 10 minutes; on August 27th, 14 hours; on August 28th, 12 hours and 50 minutes; on August 29th, 13 hours, 30 minutes. Now when the contractor is authorized to work beyond the 12 hours that direction comes down from you, does it not?—A. No, sir, from the resident engineer.

Q. It comes from the resident engineer?—A. Yes.

Q. Is there any record in your department with regard to it?—A. Not necessarily.

Q. I can call your attention to a case in Maquapit lake dredging where the direction came down from the minister to you authorizing work to be done beyond 12 hours?—A. That might be done in some cases.

Q. But you say it is not the practice?—A. No, it is not the general practice.

Q. Was that an exception in that case of the Maquapit lake? Was it exceptional for the authorization to come down from the minister to you through the resident engineer?—A. It is not ordinary.

Q. You say that dredging on October 5 is an ordinary good day's dredging, is it? 1,324 cubic yards?—A. Yes.

Q. Dredging sand and clay?—A. Yes.

Q. Would that indicate to you that there was any very great difficulty, exceptional difficulty in connection with this dredging?—A. Not so far as the material is concerned.

Q. That is easy dredging, is it not?—A. As far as the material is concerned, yes.

Q. Now with regard to the question of the capacity of a scow, is it usual to overrun the capacity of a scow in these dredging operations?—A. Sometimes it is done, sometimes there is some material above the combing.

Q. But it is an unusual thing, is it not, to have it day by day overrun the capacity of the scow?—A. I should say yes, if it is day after day.

Q. It would strike you as something unusual if it were day after day?—A. Yes.

Q. As a matter of fact, taking the ordinary scows used in dredging operations when they are filled are they not pretty well submerged in the water?—A. Some are, it depends on the floating capacity, upon the buoyancy of the scows.

Q. You might take these sheets for October, have you the return for October 15th there?—A. Yes.

Q. How many scow loads are returned for that day?—A. Two

Q. What is the capacity of the scow?—A. 193 yards.

Q. What is allowed?—A. 480 cubic yards.

Q. That is an excess that day over the capacity of the scows?—A. Yes.

Q. On October 16th, how many scow loads are there?—A. Three.

Q. Of the same capacity, 193 yards?—A. 193 yards.

Q. And what is allowed?—A. 648 yards.

Q. That is an excess also on that day?—A. Slightly in excess.

Q. On October 17th how many scow loads?—A. Six.

Q. And what was allowed?—A. 1,270 yards.

Q. That is an excess again, is it not?—A. Slightly.

Q. 112 cubic yards in excess?—A. For six scows.

Q. On October 19th how many scow loads?—A. Six.

Q. And what was allowed?—A. 1,308.

Q. That is in excess again, is it not?—A. Yes, sir

Q. On October 20th how many scow loads?—A. Three.

Q. And what is allowed?—A. 650 yards.



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Q. That again is in excess, is it not?—A. Yes.

Q. 71 cubic yards in excess. On October 21st, how many scow loads?—A. Six.

Q. And how much was allowed?—A. 1,217 yards.

Q. That is in excess again, is it not?—A. Yes.

Q. On October 22nd, how many scow loads?—A. Four.

Q. What was allowed?—A. 913 yards.

Q. That is in excess again?—A. Yes.

Q. It is 141 cubic yards in excess?—A. Yes.

Q. On October 23rd, how many scow loads?—A. Five.

Q. And what was allowed?—A. 1,146 cubic yards.

Q. That is in excess again, is it not?—A. Yes.

Q. 181 cubic yards in excess. On October 24th how many scow loads?—A. Four.

Q. And what was allowed?—A. 846 yards.

Q. That is in excess again?—A. Yes.

Q. 74 cubic yards in excess. On October 26th how many scow loads?—A. Two.

Q. And what was allowed?—A. 423 cubic yards.

Q. That is in excess again?—A. Yes.

Q. On October 27th how many scow loads were there?—A. One.

Q. What was allowed?—A. 227 cubic yards.

Q. And the capacity of the scow is 193 yards?—A. Yes.

Q. There is an excess again there. On October 28th how many scows loads?—

A. Three.

Q. And what was allowed?—A. 646 yards.

Q. In excess again?—A. Yes.

Q. On October 29th how many scow loads were there?—A. Two.

Q. And what was allowed?—A. 440 yards.

Q. That was over 50 cubic yards in excess of the capacity of the scow?—A. Yes.

Q. So that every day's dredging in these returns for the month of October overran the capacity of the scows and you say that is a very unusual thing?—A. That would be a very unusual thing, yes, sir, but you must note that they were dredging here on the level, that the limit of the cut made was only three feet and consequently they would have in this case special cause for overloading the scows so as to save towing.

Q. I do not understand that?—A. Well, if they overload each scow they will save some towing.

Q. Yes, we understand that if they overload each scow they will save some towing, but you tell me it is an unusual thing for scows to carry more than their capacity?—A. Yes, but under these special circumstances, I would think it would be only reasonable that the scows would be overloaded.

Q. Did you not tell me that a full scow is pretty well submerged in the water?—

A. No, I did not say that; I said they would be submerged according to the buoyancy of the scow.

Q. As a rule you know this that if you overload the average dredge scow it is more difficult is it not to tow that scow out to the dumping ground?—A. No, sir, it is not.

Q. You think it would not be?—A. No, sir, because 50 yards of overloading would not very materially increase the depth of the scow in the water.

Q. But take an excess of 180 cubic yards, would that make no difference at all?—

A. It would, yes.

Mr. CARVELL.—There is no evidence to show that there has been that much excess in any scow.

Mr. CROCKET.—There was 180 yards in a day.

Mr. CARVELL.—Yes, but that is for six scow loads.

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*By Mr. Crocket:*

Q. Would it be difficult to tow an overloaded scow?—A. It is not where the average load of the scow is 190 yards, that is not much.

Q. And you have no explanation except that to offer us except from what you see on these returns?—A. As I read these returns they give me all the information I want, if not positive information, they give it to me by inference at any rate.

Q. And what is your explanation?—A. I say that in this case where the dredging was so shallow and where the towing of the scows was most difficult it would be only reasonable to expect that the contractor would overload the scow so as to save towing.

*By Mr. Middlebro:*

Q. Would not the same argument apply to all scows everywhere?—A. No, because there is not the same difficulty; it depends entirely upon how many scows the contractor has at his disposal, if he has only one scow, as I infer from these returns he only had one scow—

Q. Supposing he had 100 scows, would it be more profitable to overload the scow he was using?—A. It depends upon the dimensions of the scow.

Q. No matter what the dimension, would it be better?—A. He would not I know have to tow it out so often?—A. It depends entirely upon the capacity of the scow.

Q. Suppose it is the biggest scow we have in the Dominion of Canada, would it not be more economical to overload it?—A. No, sir, because in the case of a very large scow the buoyancy would not be the same, it would be safer with the smaller scow.

Q. Well, if it comes to a question of safety, was it on the ground of safety in this case?—A. I cannot tell you what it was in this case.

Q. It would pay to overload all scows from an economical view, and yet you say only certain scows should be overloaded?—A. Only scows of this capacity can be overloaded, while larger scows of 500 and 1,000 cubic yards could not be safely overloaded.

Q. Do you know this scow that it could be safely overloaded?—A. According to the capacity of the scow I think it could.

Q. I do not see why it would not be better to overload all scows.

*By Mr. German:*

Q. Would not the kind of material dredged make a difference, whether it was heavy clay or a light mixture of clay and sand?—A. If it is sand it should not be overloaded because wet sand weighs more.

*By Mr. Middlebro:*

Q. If it were wet sand you could not pile up wet sand?—A. Wet sand will overload, but you could not pile up and overload the sand if it were dry.

Q. You cannot overload wet sand as much as you could wet clay?—A. This was a mixture of wet sand and clay.

Q. You could not overload sand as much as you could overload clay?—A. No, certainly not.

*By Mr. German:*

Q. Sand is that class of material in which, according to your experience, overloading can be done?—A. Certainly.

Q. And it is not an exceptional class of material where the scow measurement can be overloaded that the contractor would be likely to overload his scows?—A. Certainly if there are certain difficulties in the way of the work.

*By Mr. Middlebro:*

Q. But would you not consider that that mixture of clay and sand could be overloaded to the same extent that it could if it were clay alone?—A. Certainly not.

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*By Mr. Crocket:*

Q. I have here a letter from Mr. Stead?—A. Yes.

Q. Dealing with the question of material cast over of which no account has been kept?—A. Yes.

Q. And he states in this letter that the total amount of dredging performed, according to the inspector's reports, after the trenching began, was 15,179 cubic yards?—A. To whom is that letter addressed?

Q. That is addressed to yourself, 15,179 cubic yards?—A. Yes.

Q. Now what was the total amount of dredging for which the company was paid, 33,744 cubic yards is the amount in the Auditor General's Report, I think?—A. Do you mean for the two years, 1908 and 1909?

Q. No, for this year ending March 31, 1909?—A. According to the statement I have here it would be \$29,470.

Q. So that the bulk of the dredging was done before the date of the trenching?—A. No, sir.

Q. Well, that is his statement here, that 15,179 cubic yards was done after the trenching began (document handed to witness). I figured that up, I may say, Mr. Lafleur, and I find it is correct; the trenching began, according to the reports, on the 28th of September, that is the first day's trenching, is it not?—A. Yes, Mr. Stead's statement is that this one cut or two-fifths of the whole was cast over, *i.e.* 6,071 cubic yards, that is the only amount that was cast over.

Q. I am not speaking about that but as to how the contract worked out. He says that the total amount of dredging performed according to the inspector's reports after the trenching began was 15,179 cubic yards?—A. That is his statement here.

Q. So that if they were paid for 33,744 cubic yards they did of course more of their work before the trenching began than afterwards?—A. According to that, yes.

Q. Now there is one other thing I want to call attention to. I think you stated at the first day's examination that the company was paid for material cast over at the rate of 60 cents per cubic yard?—A. About that, I forget the exact figures.

Q. And then after the material was cast over for which they were paid at the rate of 60 cents per cubic yard they were paid 90 cents per cubic yard for taking up the same material and taking it to the dumping ground, were they not?—A. It depends entirely upon where they began casting over. If they began at the side of the cut then there was nothing paid for that that I am aware of, but if they began in the middle of the channel, that is the trenching, then it should be paid for.

Q. You remember the telegrams that were put in by Mr. Stead stating that the matter was under investigation?—A. I do not remember any communication from Mr. Stead, but whether it should be paid for or not will depend upon the fact whether that cast over cut was made on one side or other of the channel or in the middle.

Q. Now here is the telegram I referred to, of the 30th of October from Sackville. It was to yourself: 'In reply to your telegram, material cast over in trenching at Gaspereau river was removed when widening out and is included in scow loads given in inspector's reports.' That is at page 21 in the evidence.—A. Yes, but when you asked me if I remembered getting that telegram I said it was not on my file.

Q. Oh, well, but it was produced here.—A. Well, if it were proved that the first cut, the cast over cut was made in the middle of the channel certainly it must have been included in the subsequent returns.

Q. That is Mr. Stead's statement, is it not, that it was included in the inspector's returns?—A. Yes.

Q. And they paid on those returns?—A. Yes.

Q. Then you allowed them 6,000 cubic yards for that afterwards?—A. Certainly, they were entitled to it.

Q. And they got 90 cents for it on the weekly returns and they got 60 cents for it under the allowance for material cast over?—A. Yes.



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Q. That is \$1.50 per cubic yard for the removal of that material?—A. That is what it would be.

Mr. CARVELL.—Pardon me a moment, there seems to be a contradiction of evidence. On the last day I understood Mr. Lafleur to state that there were 8,000 cubic yards of this material whereas the Auditor General's Report shows 6,000 yards.

Mr. CROCKET.—They claimed 8,000 yards and Mr. Lafleur directed the engineer to certify for 8,000 yards but it was paid for in the end on the basis of 6,000 yards.

*By Mr. Crocket:*

Q. There is just one other thing in connection with this letter from Mr. Stead which is found in the last day's evidence at page 20, just the last paragraph of that letter dated Chatham, October 26, 1908, and addressed to the manager of the Maritime Dredging and Construction Company, Mr. John E. Moore. In that letter is the statement of the resident engineer in charge of this district that on the 26th of October, 1908, though he had asked for it he had received no notification of the Maritime Dredging and Construction Company to the manager of which company the letter was addressed, having been awarded the contract, and that he did not at that time know the price.—A. I beg pardon, I think he was notified before that.

Q. That is his statement, that is what he wrote.—A. On August 4, I notified him myself, I said, 'The work of dredging in the Gaspereau river has been given to the Maritime Dredging and Construction Company of St. John, N.B., providing they are willing to accept, in payment per cubic yard, scow measurement, the lowest price to be obtained by tenders which are now being called for. Kindly place the company's dredge at work immediately, if they accept the conditions.'

Q. Yes, I was aware of that, but that is Mr. Stead's statement in his letter to Mr. Moore on the 26th of October and that telegram you speak of now does not indicate the price?—A. It does not indicate the price, no, sir.

Q. Now, Mr. Stead is the gentleman who had previously examined this ground and had made an estimate on the basis of 20 cents per cubic yard?—A. Yes.

Q. And notwithstanding that statement of Mr. Stead's on the 26th of October, he certifies these accounts, does he not (documents produced), and here is another?—A. Yes, he does.

Q. He certifies the price as fair and just?—A. (Reads) 'certified prices fair and just.'

Q. That is the certificate of the engineer who had himself estimated the work as worth 20 cents per cubic yard?—A. Yes, I think I can give an explanation of the difference between those two prices. Mr. Day's estimate of 1903, if I remember well, and Mr. Stead's estimate of 1907 were made by them before any dredging contracts were asked for in the maritime provinces.

Q. Mr. Stead's estimate was made in 1907?—A. Yes, well it was only in 1907 that we actually commenced to give contracts for dredging in the maritime provinces.

Q. Yes, and that is the only explanation you have to offer?—A. Now they have evidently based their estimates upon the cost of dredging operations carried on by our own dredges, and I think a perusal of the annual reports of the department will prove that.

Q. You say that the perusal of the reports will prove what?—A. That the prices upon which these two estimates were based was purely and simply the actual cost price of dredging by our own dredges in the maritime provinces as there were no other dredges then working in the maritime provinces but our own. I see here, for instance that the dredge *St. Lawrence* at St. Mary's pier dredged at 16.41 cents per cubic yard, that the dredge *Canada* at Liverpool dredged at 32 cents per cubic yard, that the dredge *St. Lawrence* at the Intercolonial pier dredged at 14 cents per cubic yard and so on through the list, except in very exceptional circumstances the

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prices were not anything like what are charged to-day, and consequently the engineers were justified in basing their estimate upon the actual working expenses of our own dredges, and naturally that is the explanation of those two estimates.

Q. And that is all that you have to say in explanation of that man certifying that 90 cents was a fair and reasonable price for work that he had himself estimated at 20 cents?—A. Which he had estimated a number of years before.

Q. The estimate he had made a year or so before?—A. Yes, but at the time you must remember, as I was just saying, there were no dredging contracts in the maritime provinces.

Q. I think you are mistaken about that?—A. If my memory serves me right there are none.

Q. You are absolutely mistaken there.

*By Mr. Carvell:*

Q. There was the Mayes contract in St. John?—A. That was a special thing, but there was no general contract work.

Q. And you have the statement there of Mr. McCordock, of St. John?—A. Yes, both estimates by Mr. Day and Mr. Stead are based on an estimated price of 20 cents per cubic yard.

*By Mr. Middlebro:*

Q. Do I understand you to say that the reason the estimate was made at 20 cents per cubic yard was because the government dredges were able to do it at 20 cents?—A. That is based on the working expenses, the running of the dredges.

Q. And the reason you claim the price was enhanced was because it got into the hands of the contractors?—A. No, because in the price per cubic yard mentioned in our reports here we do not include either interest on the capital invested, or sinking fund or incidentals.

Q. If that is so surely the engineer would take that fact into account when estimating what it would cost if the work were taken up by a contractor?—A. Naturally they would take the running expenses of our own dredges because at the time it was not the intention of the department to give wholesale contracts for dredging in the maritime provinces; we had commenced that practice in Ontario and Quebec but not in the maritime provinces.

Q. And you say that the 20 cents figure was not intended as a contractor's figure?—A. Certainly not, it was not intended for that, but represented the working expenses of our own dredges.

Q. And it was not intended for this purpose at all?—A. No, certainly not.

*By Mr. Barker:*

Q. When you were examined two or three weeks ago you complained that you were not able to answer certain questions as you had been taken by surprise?—A. Yes, I did.

Q. I asked you then to carefully go over all the circumstances in connection with this transaction in order that you would be able to answer questions when you came back again, have you done that?—A. I have to the best of my endeavour.

Q. Have you done it or not?—A. Certainly, I have.

Q. And you have gone over it with a view of refreshing your memory so that you would be able to answer questions?—A. Yes, sir.

Q. Now, the first paper that has been produced, as I understand it, is a memorandum to you from the deputy minister on the 3rd of July, 1908, in which you are directed to secure a report from the resident engineer regarding dredging at this Gaspereau river and other places, and then it winds up, 'These three places should be commenced by July 20.' I have given you the substance of it. Tell me what your

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functions are with regard to dredging of harbours where the work is urgent, have you any particular functions as chief engineer?—A. I am the chief engineer of the Public Works of Canada, I have the superintendence of every harbour and river work in the Dominion.

Q. Is it your duty to ascertain for yourself as to the urgency of work of this kind?—A. I am obliged necessarily to base my judgment upon the reports of my engineers.

Q. I did not ask you that. Is it your duty to ascertain the urgency of work of this nature?—A. Certainly, I always ask my engineers to do so.

Q. How is it that this urgent work was first brought to your attention not by your officers but by the deputy minister?—A. I could not say, sir.

Q. Had you any communication with the deputy, or had the deputy any communication with you, before you received that memorandum of the 3rd of July, 1908, on this subject?—A. No, sir, I could not say.

Q. I thought you were going to refresh your memory about this business?—A. Certainly, I cannot be expected to refresh my memory about facts if I have no correspondence.

Q. Have you any recollection that before you got that memorandum you had any communication with anybody about this work, or any knowledge of any communication?—A. I have no recollection or knowledge.

Q. That is, you have no recollection or knowledge one way or the other?—A. Yes, sir.

Q. And yet this was an urgent work. Tell me, this, you were aware, were you not that tenders should be called for in works of this kind amounting to \$34,000?—A. They were called for in this case.

Q. Are you aware that it is necessary tenders should be called for?—A. Well, yes sir, generally they are.

Q. Are you aware that it is the duty of the department to get tenders for such work and to enter into formal contracts?—A. I certainly would not substitute my judgment for that of the minister; if he desired to do that I do not see that I have to make objections.

Q. Would you seek contracts for work of this kind, if the work was necessary, without advertising for tenders?—A. I beg pardon.

Q. Would you yourself, as the head of the department, being the chief engineer, seek to let a contract for work of this kind without advertising for tenders?—A. It would depend entirely upon the necessity for the work, if the work was urgent—

Q. And if you thought that there was any need for it you would not care to award the contract without advertising for tenders?—A. Certainly not, that is provided for by law.

Q. You need not go into explanations all the time, just give me your answer, please?—A. Certainly.

Q. You see here that the deputy minister told you these three places should be commenced by July 20th, that is in 17 days after the memorandum was sent to you?—A. Yes, sir.

Q. Do you think it was possible to obtain tenders by advertisement before the 20th of July?—A. Yes, sir.

Q. You could advertise and actually receive tenders; you had to inquire of the local men, get the facts, advertise and get the tenders in. Do you think you could have done that before the 20th of July?—A. Yes, sir, because both works were going on concurrently, I need not have any quantities or anything of that kind before advertising because the contract did not mention quantities.

Q. But the memorandum say this, 'Secure a report from resident engineer regarding dredging at', three or four places are mentioned, 'with a view to sending out a notice to dredge owners asking for tenders'?—A. Yes, sir.



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Q. Do you think you could have got a report from your local men and complied with that and commenced the work before the 20th of July?—A. I think so, because as I have said before both works were going on concurrently.

Q. What do you mean?—A. That is I would invite tenders and I would receive the report of my engineer before the tenders were in and that would be sufficient.

Q. You were going to advertise for tenders before you got the report from the engineer as to what was to be done?—A. Not necessarily that, but it might have been the case.

Q. As a fact you did not take any immediate action on that, did you?—A. I will have to look up the correspondence.

Q. Look up your telegram of thirteen days afterwards, on the 16th of July, to Mr. Stead?—A. I have not got that correspondence here.

Q. You recollect it, it was read to you the other day, on the last day you were here (document handed to witness). Read that, please?—A. Yes, on the 16th of July.

Q. That is 13 days after you got the memorandum from the deputy?—A. Yes.

Q. Had you before that 16th of July communicated with anybody?—A. No, sir, not that I can remember.

Q. You did not take any action until the 16th of July although you were told it was necessary to begin the work by the 20th of July?—A. Evidently, sir.

Q. If you want to, read again the letter of the deputy minister of the 3rd of July to you. You did telegraph,—you got another communication from the deputy on the 15th of July, did you not?—A. Yes, sir.

Q. And that was in effect, 'Let me know the quantity of urgent dredging at Gaspereau river?—A. Yes, sir.

Q. 'It is represented that all that requires to be done at present is the removal of the bar at the mouth,' that is the substance of it, is it not?—A. Yes.

Q. 'Please say how much that will be.' Did you have any interview with the minister or the deputy minister at that time or about the 3rd of July?—A. The correspondence does not show that I had any interview.

Q. I know the correspondence does not show it but I ask you, did you have any interview?—A. I do not recollect.

Q. Will you say that you did not?—A. I cannot say that I did not.

Q. Do you not recollect going to the minister and talking about it?—A. No, sir, I do not recollect.

Q. Nor with the deputy?—A. No, sir.

Q. Did you do nothing?—A. Evidently, because on the 15th I received that second memorandum from the deputy minister.

Q. Although you knew it was urgent according to your statement you did nothing. Then on the 16th of July you telegraphed to Mr. Stead asking for the information, 'Wire me immediately what quantity of urgent dredging is required' for this work. That is so, is it not?—A. Yes, sir, according to that telegram.

Q. You had the previous year's report of Mr. Stead in your hand, did you look at that before you telegraphed to Mr. Stead?—A. Well, really I cannot say.

Q. You are the chief engineer, sir?—A. Yes, I am the chief engineer.

Q. And you had received the preceding season Mr. Stead's report about this very work, and yet you did not refer to it?—A. Well, if you will notice what the deputy minister says in his memorandum of the 15th, 'It is represented all that requires to be done at present is removal of bar at mouth. Please say how much that will be.'

Q. But you had your own assistant engineer's report made within a year on the work for the Gaspereau river?—A. Not on that special part of the work.

Q. Did you look at it?—A. I certainly must have looked at it at the time, I have the report.

Q. Do you recall whether you did or did not look at it?—A. No, sir, I do not.

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Q. And you telegraphed him?—A. Yes, sir, and my telegraph was on the lines of the deputy minister's memorandum.

Q. And on the 17th, he was fairly prompt, the next day after you sent the message he gave you his report by wire, you will find that on the 17th of July, and he says the work is urgently needed, that is so, is it not?—A. Yes.

Q. Upon receiving that message from Mr. Stead did you see the deputy minister?—A. No, sir, the next correspondence I see here—

Q. Never mind about the correspondence; did you?—A. I do not want to be relying upon my memory all the time.

Q. But I ask you to use your memory; you are paid here to use your memory, you are an officer of the government, and you must use your memory?—A. Certainly I must wherever I can. I am trying to do so.

Q. Well, try your best?—A. That is what I am trying to do

Q. After getting that telegram of the 17th of July from Mr. Stead did you speak to the minister or the deputy minister about that subject?—A. Although I do not remember it I may have had some correspondence, probably more with the deputy minister than with the minister.

Q. Do you mean to say that there is a possibility of any correspondence being in existence which you have not produced?—A. No, sir, I say I may have spoken to the deputy minister about it although I do not recollect having done so.

Q. And so two or three weeks thinking over this does not recall to your mind that you did not see either of them on the subject?—A. No.

Q. But on the 20th, three days after Mr. Stead telegraphed, you got another letter from the deputy minister substantially directing you to have the advertisement sent out calling for tenders for dredging at Gaspereau river and these other places?—A. Yes.

Q. And you did that, I believe, you had an advertisement published in the newspapers?—A. Yes.

Q. Calling for tenders to be sent in on the 14th of August?—A. Yes, sir.

Q. That is so. Now just turn to Mr. Stead's message to you of Friday the 31st of July?—A. Yes.

Q. That was after you had begun the publication of advertisement calling for tenders?—A. Yes.

Q. And he says to you there, 'John E. Moore, of St. John,' that is the manager of this Maritime Dredging and Construction Company, 'says he has dredge ready to work on the Gaspereau river, N.B., and expects to start Monday.' That would be the 3rd of August, 11 days before the tenders were to come in. 'Am I authorized to lay out the dredging for him there,' you remember getting that, do you not?—A. It is here, sir, the correspondence is here.

Q. Having got that—you see somehow or other Mr. Moore got information that next day he was to begin the work, on Monday, and had his dredge on the spot. When you got that did you communicate with the minister or the deputy minister?—A. I naturally would have communicated either with the deputy minister or the minister.

Q. To ascertain whether that had been ordered?—A. Yes.

Q. Do you recollect that you did communicate with either of them?—A. Well, sir, I cannot say that I recollect about it, but inferentially I must have.

Q. Do you mean to tell this committee, as a sensible man of business, that you do not recollect having communicated with either the minister or the deputy minister upon that matter, having received that communication from Mr. Stead, and the call for tenders being out, it is only a year ago; do you mean to say that you do not recollect whether you saw anybody in connection with this contract of \$34,000?—A. No, sir, I say I do not remember seeing anybody, but I must necessarily have seen somebody.

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Q. I can quite understand your coming to that conclusion, I come to that conclusion myself without knowing anything at all about it the moment I read these two messages, but can you not recall the fact now?—A. No, sir, I cannot recall it.

Q. Do you take so little interest in the work of your department that in the matter of a \$34,000 contract of that kind you cannot recall seeing the minister or the deputy minister on the subject?—A. I certainly cannot, I have too many items of that kind in the department to look after so that I cannot recall.

*By Mr. Crocket:*

Q. Are there many items of this kind?—A. From all over the Dominion.

Q. Of this kind, calling for tenders after the contracts are let?—A. Calling for tenders of all kinds, dredging contracts and other works.

*By Mr. Barker:*

Q. Turn your communication to your assistant on the spot on the next day, Tuesday, the 4th of August?—A. Yes.

Q. Do you recollect writing that letter?—A. It is on file signed by me.

Q. Do you recollect writing that letter on your oath?—A. I do not see that that question should be put to me every time I make my answer.

Q. It is not your business, sir, to see about it at all, tell me, you are on your oath, whether you recollect writing that letter or not?—A. I do not recollect writing that letter.

Q. I will read the substance of that letter from you to Mr. Stead: 'The work of dredging in Gaspereau river has been given to the Maritime Dredging and Construction Company, St. John, N.B., providing they are willing to accept, in payment, per cubic yard, scow measurement, the lowest price to be obtained by tenders which are now being called for. Kindly place the company's dredge at work immediately if they accept the conditions.' There is the note too that the lesser work only is to be engaged upon. Do you mean to say that you wrote a letter of that kind in August, 1908, and that you cannot recollect the circumstances connected with it?—A. I told you so.

Q. You cannot. I want to see, Mr. Chairman, whether this gentleman does anything besides dictate letters or whether he has a memory upon anything or not.—A. I have some memory, but I cannot recollect in connection with every letter I dictate.

Q. Is not that unusual, to give a contract out before you have the tenders in?—A. It certainly is unusual.

Q. And you wrote that letter in that unusual way granting your authority to your deputy or assistant the right to put the dredge at work immediately and you cannot recall the circumstances under which you did so?—A. I have already told you so.

Q. I am repeating my question because it is a most extraordinary thing and I take leave to say that I do not think you have furnished up your memory very much since you were here before, or you ought to recollect it. (No answer.)

Q. Now you told him to observe that Mr. Moore, or his Company, were to get this work at the lowest tender that would come in on August 14, that is the case, is it not?—Yes, sir.

Q. You are, of course, a business man; will you tell me, upon your oath, Mr. Lafleur that you thought with that dredge at work dredging on the ground, the man having been promised the work, officially, through your officer under those conditions, that any other men than this company were going to tender at all?—A. Well, certainly, I could not know that.

Q. Do you think now it was a reasonable assumption that there would be any other tenders than the one by the man or company already at work and who had been officially engaged for the work in the meantime? Would any officer in your depart-



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ment expect to get a tender under those circumstances from any other company on the 14th of August?—A. Certainly that is a most difficult question to answer. How could I expect anything?

Q. I think we could not. Would you consider it under such circumstances probable that you would get any tender other than the one from the company that had been given the work?—A. Well, really I do not think I ever stopped to consider whether or not we would.

Q. I am afraid you did not. Now I ask you this, as to the honourable conduct of the business of your office, do you consider it a businesslike and proper thing to give away work for which you are asking tenders?—A. That is not for me to say, sir.

Q. I am asking you now, do you as an experienced engineer in charge of this department's work, do you think it a reasonable businesslike arrangement, an honourable thing to do, to give away work while you have advertisements out calling for tenders.

Mr. GERMAN.—I do not think the hon. member should press the chief engineer to answer that question.

Mr. BARKER.—If you object to the question I will ask the Chairman to rule.

Mr. GERMAN.—I do not think it is a fair question to ask the engineer, he is an employee of the department, we can all form our own conclusions as to what took place, and why should the engineer be forced to answer a question which might be diametrically opposed to the instructions he received from the minister.

Mr. BARKER.—I submit this, I take it that the proper way to conduct an examination is for any gentleman who objects to the question to make his objection, and I will submit to the ruling of the chair, whether or not it is a question that I might ask.

The CHAIRMAN.—What is the question you want to ask, Mr. Barker?

Mr. BARKER.—Well, if he refuses to answer—

*By Mr. Barker:*

Q. Who instructed you to send that message on the 4th August, 1908, to give the work to these men?—A. I must have had instructions from the department or I surely would not have sent the message, it would be verbal instructions in this case. It appears, because there is no correspondence to show, but there must have been some instructions or else I would not have taken it upon my own responsibility.

Q. You cannot recollect who it was, but somebody must have told you to do so?—A. Certainly.

Q. You are quite sure you cannot recollect who it was, whether it was the deputy minister or the minister?—A. I am under oath here and if I did remember I would say so.

Q. You need not tell me that I ask you again are you quite sure you cannot recollect that?—A. I cannot say.

*By Mr. Middlebro:*

Q. It would be either the minister or the deputy minister?—A. That is what I say, it would be either the deputy minister or the minister.

Q. It would be either the one or the other.

*By Mr. Barker:*

Q. Did you report to anybody that you had given this order in this way?—A. In what way do you mean?

Q. That you had telegraphed and put the work into the hands of the Maritime Dredging and Construction Company, did you tell anybody you had done that?—A. I wrote to Mr. Graham, the letter is here, on the 4th of August, telling him that the work was to be performed by the Maritime Dredging and Construction Company.

Q. That is your own subordinate?—A. He is my own subordinate.

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Q. Did you report to anybody above you that you had handed this work over to these people?—A. To anybody above me?

Q. To anybody above you, to your deputy or to the minister?—A. No, sir, I would not, as soon as I gave the instructions, which I must have received from somebody verbally, to my assistant, I would consider the matter closed.

Q. You would not report to them that you had complied with your instructions?—A. No, sir.

Q. At all events you did not give any such report either verbally or in writing?—A. No, sir, not that I remember.

Q. Now then, when the 14th of August came who opened the tenders?—A. Well, I was not there at any rate, I do not know who opened them.

Q. Who would be the persons who opened those tenders?—A. Either the deputy minister or the minister, or the secretary of the department, I do not know who opened them.

Q. It would be done in the office of the minister or deputy minister?—A. I should infer that it would.

Q. That would be the ordinary practice?—A. Yes.

Q. There was one tender, I believe?—A. Yes, sir.

Q. You know that?—A. There was one tender from the Maritime Dredging and Construction Company.

Q. That is the company that had already had the work given to it at 90 cents a yard?—A. Yes.

Q. And that was the only tender they got as far as you know?—A. So far as I am aware, yes.

Q. What became of that tender?—A. It must have been filed in the department in the usual way and annexed to the contract.

Q. Was that done, so far as you know?—A. Well, I think I have just seen it here.

Q. Were you advised at all in regard to this tender?—A. I beg pardon.

Q. Were you advised that this tender had been received?—A. Not that I can remember.

Q. Do you know that subsequently there was some searching for that tender?—A. No, I do not.

Q. Haven't you heard that?—A. No, sir.

Q. Haven't you heard that when that tender was wanted it was not in the office, have you heard nothing of that kind?—A. No, sir.

Q. It was read here at the last meeting; didn't you hear the papers read at the last meeting showing that when they wanted that tender they had to telegraph to St. John to get it from the minister?—A. Yes, sir, I think I did, now.

Q. What was the object in wanting to get that tender?—A. I suppose it was to make the contract, something of that kind. To draw up the contract.

Q. Or to make an estimate of the amount due?—A. Or make the estimate, perhaps.

Q. Have you any information upon that point? Or did you ignore that tender altogether and act on your letter to Mr. Stead?—A. I do not think I ever notified Mr. Stead myself personally of the contract price, for on the 26th of October he was still in ignorance, according to the letter just read, that the price was 90 cents.

Q. Actually the officer who had to make out the estimates had never been informed of what the tender was, and was it then you wanted to get the information, or somebody wanted to get the tender to see for yourselves?—A. I should infer it would be.

Q. You could not make up your certificates, I suppose, without that tender?—A. The first man to make it up—

Q. Could you make up your certificates without that tender?—A. The resident engineer is the man who has to make up the certificates.

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Q. You say it was on file at the office here?—A. I would infer it would be here in the department.

Q. Actually we know, of course, that it was not on file in the office and you should have had access or knowledge of that tender in order to carry on the work of your office?—A. It might have been that it had been neglected to inform me.

Q. That is no answer to my question, ought you not to have had communication of that tender so as to carry on the work in your office?—A. In the ordinary course of the matter I should have been informed.

Q. And you had not been informed?—A. I had not, evidently.

Q. When you wanted to make up your books or certificates from what did you make inquiry as to where that tender was?—A. I must have made inquiry from the department, through the secretary or somebody who had the tender.

Q. Do you recollect now that you did that?—A. I infer that I must have done so.

Q. We do not get anything but inference from you?—A. How can I remember all these things.

Q. I should have been ashamed if I had been conducting an office like yours if I did not know how that transaction was carried out, a most unusual thing from first to last. Now when the tender came in, these people had agreed previously to accept the price of the lowest tender?—A. Yes.

Q. I ask you now, as a true man of business, of course you are that, whether knowing all the facts these people were not invited practically to put their own price on the work because there would be no other tender?—A. No, sir, I decidedly do not know that.

Q. Do you not think that was the practical result that this Maritime Dredging and Construction Company, knowing there would be no other tender, everybody would know they were actually doing the work, would be able to put their own price on the work?—A. No, sir, I do not think that.

Q. Do you recollect there was any little difficulty in your making certificates on account of the absence of the tender?—A. Yes, sir, I recall their being some correspondence from Mr. Stead to me.

Q. And you recall now that it turned out to be in the personal possession of the minister at St. John?—A. According to the correspondence it was.

Q. And that was months after the transaction?—A. That so appears, yes, sir.

*By Mr. German:*

Q. What was the apparent necessity of Mr. Stead starting the company at work at this Gaspereau river?—A. I image some request must have been made for dredging in order to furnish immediate relief.

Q. I mean public necessity, necessity for speedy dredging out of the mouth of this river for purposes of navigation?—A. There was necessity, certainly there was necessity.

*By Mr. Loggie:*

Q. And it would be very much more difficult to do it later on in the season, it was on the outside coast?—A. Certainly.

*By Mr. Reid (Grenville):*

Q. But you never heard for the necessity of the work before the fore part of July?—A. Before that it was called to my attention.

Q. Before that time you were informed of the necessity of the work?—A. Not before it was called to my attention.

*By Mr. Crockett:*

Q. Was this work continued beyond the season of 1908?—A. I think it was continued this last season, 1909.



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Q. But the work was stopped on the 29th of October by the Martime Dredging and Construction Company, was any work done in the following season?—A. I do not think so.

Q. You do not think so?—A. No, sir.

Q. And you have Mr. Stead's statement there that the work would fill in unless it were continued. The minister stated in the House that he had sent a dredge down there, you say you do not know of the department having done so?—A. Yes.

*By Mr. German:*

Q. Was this an opening into the sea?—A. Yes.

Q. And there was no shelter there at all?—A. Not outside the dredge.

Q. It was ocean dredging, was it?—A. They were dredging through a shoal in the mouth of the river.

Q. And the spoil was dumped out into the sea?—A. Into the sea.

Q. It had to be taken three miles I see under the contract?—A. Yes.

Q. Would there be any danger of the plant, the dredges and scows being swamped by a storm if it came up?—A. Until such time as they would have dredged a channel so that they would be able to come inside the river.

*By Mr. Middlebro:*

Q. I suppose it would fill in again in a very short time, experience has shown that the fact is most of the dredging on rivers, especially on the coast line, fills in again and it has to be dredged from time to time unless there is some protection work done. I suppose this would fill in in the general way?—A. As it generally does unless there is some protection.

Q. This is a little dredging that had to be done in the fall of the year?—A. I cannot say.

Q. It just happened to be wanted at that time?—A. According to the correspondence.

Q. And probably it would be wanted again now?—A. I cannot say about that. I have not looked into the matter.

*By Mr. Carvell:*

Q. Do you remember, Mr. Lafleur, whether any request had been made to the department to have this dredging done in former years?—A. Oh, yes, sir, numerous times, I think there were two previous reports.

Q. And were those reports preceded by requests?—A. Yes, sir.

Q. Then it was not something new?—A. Oh, no, sir, certainly not.

Q. And when you say it will fill in again, in what time would you say it would require redredging in order to make the channel available?—A. I am not acquainted with the absolute character of the material, but if there is more sand than clay in the material it will take less time, but I infer from this that clay is the material and it will last a number of years before it will be necessary to redredge.

Q. It will not be necessary to redredge again this year or next year?—A. No, not according to this, if it is clay material.

Q. You say it will not be necessary for a number of years?—A. Yes.

Q. Do you know where this dredge came from when it went to Gaspereau river to do this work?—A. She came from the upper St. Lawrence, she was working in the Saguenay river if I remember aright.

Q. And where is the dredge now?—A. In the harbour of St. John.

Q. And the dredge was then on the way from Saguenay to St. John?—A. Yes.

Q. And stopped there for that purpose?—A. Yes.

Q. She did not come from St. John around to the Gaspereau river to do this work?—A. No.

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Q. And is the dredge now being used by the Maritime Dredging and Construction Company at St. John?—A. That is what I understand.

Q. It is one of their dredges working in the harbour of St. John?—A. In the harbour of St. John.

*By Mr. Reid (Grenville):*

Q. Did I understand you to say that dredge went to Gaspereau from St. John?—A. No, sir, it came from the upper St. Lawrence.

Mr. CROCKET.—I am not certain whether we will put another witness on or not so I would like to leave this case open until the next meeting.

Witness retired.

# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING PAYMENT OF

\$16,050.20 TO MARITIME DREDGING AND CONSTRUCTION COMPANY

IN CONNECTION WITH

### DREDGING AT ST. JOHN HARBOUR

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau river, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,  
*Chairman.*





## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, February 16, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee proceeded to the consideration of the payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John harbour, N.B., as set out at page V—193 of the Report of the Auditor General for the fiscal year ending 31st March, 1909.

Mr. EUGENE LAFLEUR, Chief Engineer, Public Works Department, called, sworn and examined:

*By Mr. Daniel:*

Q. I want to ask Mr. Lafleur a few questions with regard to the work of the Maritime Dredging and Construction Company in the Harbour of St. John. You are familiar with the work, Mr. Lafleur?—A. Yes.

Q. Is it being done by tender?—A. Yes.

Q. Tenders were called for by advertisement?—A. Yes.

Q. And what tenders were put in?—A. If I remember well there were three or four tenders put in.

Q. Will that give you a better idea, (document handed to witness)?—A. Yes.

Q. What is the first tender there?—A. The Maritime Dredging and Construction Company.

Q. What are the rates?—A. \$5.00 per cubic yard for rock and boulders exceeding two cubic yards, all other materials 35 cents and 50 cents, that is 35 cents if removed by clam shell or dipper, 25 cents per cubic yard if dredging is done by suction dredge and the dredged material used for filling proposed breakwater and revetment wall, and 50 cents on Beacon bar.

Q. 35 cents for ordinary dredging, excepting that done on the bar which was to be 50 cents?—A. Yes.

Q. What were the other prices in the contract?—A. For material cast over rock and boulders exceeding two cubic yards the same price, \$5.00 and all other materials 35 cents.

Q. That was the Maritime Dredging and Construction Company's tender?—A. Yes.

Q. What was the next tender?—A. The Dominion Dredging Company, Ottawa for St. John harbour, including Courtenay bay, rock and boulders \$4.90 per cubic yard and all other material 39½ cents per cubic yard.

Q. And what are their prices for casting over?—A. Casting over \$3.00 per cubic yard for rock and boulders and 30 cents all other material.

Q. There was another tender, I believe?—A. Yes, G. S. Mayes.

Q. That was a very high tender?—A. Much higher than the others.

Q. Then we need not go into that.

Mr. CARVELL.—Let us have all the items.

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*By Mr. Daniel:*

Q. Give Mayes' tender too, then?—A. Rock and boulders exceeding two cubic yards \$19.60 per cubic yard, ledge or solid rock blasted \$28 per cubic yard, all other materials 79 cents per cubic yard. Casting over, rock and boulders from half a cubic yard to 2 cubic yards \$9 per cubic yard, boulders exceeding two cubic yards \$19.80 per cubic yard, ledge or solid rock blasted, 28 per cubic yard, all other materials 79 cents per cubic yard.

Q. That last tender was not accepted?—A. No, sir.

Q. Which tender was accepted?—A. The Maritime Dredging and Construction Company's.

Q. The Maritime Dredging and Construction Company's tender was accepted?—A. Yes.

Q. On what ground?—A. On the ground that it was the lowest tender.

Q. It was accepted on the ground that it was the lowest?—A. Yes.

Q. Would you read this; this is a letter to the Maritime Dredging and Construction Company (document produced)?—A. (Reads).

February 22, 1909.

The Maritime Dredging and Construction Company, Limited,  
St. John, N.B.

GENTLEMEN,—I beg to inform you that your tender for the execution of dredging in St. John harbour, including Courtenay, has been duly accepted by Council, at the prices quoted therein, viz.:

Scow measurement:

	Per cubic yard.
Rock or boulders exceeding 2 cubic yards.. . . .	\$5 00
All other materials.. . . .	0 35

Materials cast over:

Rock or boulders exceeding 2 cubic yards.. . . .	5 00
All other materials.. . . .	0 35

Beacon bar, 50 cents per cubic yard.

Courtenay bay, 35 cents per cubic yard, if dredging is done by dipper or clam shell dredge, 25 cents per cubic yard, if dredging is done by suction dredge and the dredged material used for filling proposed breakwater and revetment wall.

The contract for the above dredging work is being prepared in the department and will be submitted to you shortly for signature.

I have the honour to be, Gentleman,

Your obedient servant.

*Secretary.*

Was that contract signed?—A. Yes.

Q. That was signed at 50 cents?—A. At 35 cents.

Q. Would you just tell me, read the endorsement on the back of that document, what does it say (document handed to witness)?—A. (Reads) "Contract No. 7304, signed on 10th May, 1909, J. A. Chasse."

Q. This is the order in council for the contract, is it not?—A. Yes, that is the order in council.

Q. And it says that Contract No. 7304 is the one referred to there?—A. Contract 7304, yes.

Q. Look at that document (document handed to witness) and tell me what contract that is?—A. No. 7304.

Q. Please read those prices?—A. (Reads) "Rock (blasted) or boulders exceeding two cubic yards, \$4.90 per cubic yard, scow measurement, towed to dumping ground. All other materials 39½ cents per cubic yard, scow measurement, towed to

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dumping ground. Rock (blasted) or boulders exceeding 2 cubic yards \$3.00 per cubic yard bucket measurement, cast over 20 feet from cut, all other materials 30 cents per cubic yard, bucket measurement, cast over, 20 feet from cut."

Q. That is Contract No. 7304, which this order in council referred to?

Mr. CARVELL.—What is the date of that contract?

Mr. DANIEL.—The 10th of May 1909.

*By Mr. Daniel:*

Q. How do you account for the difference in those prices? The order in council gives one list of prices and the contract an entirely different list of prices?—A. I cannot account for that.

Q. You cannot account for that?—A. No, sir.

Q. Who would be able to account for it?—A. I could not say.

Q. There is one thing about that, I think that in the real contract, Mr. Lafleur, are not the prices mentioned the prices of the Dominion Company's tender, just compare them please?—A. (After comparing documents) Yes.

Q. Sure, they are exactly the Dominion Dredging Company's tender and still the Maritime Dredging and Construction Company got this work. Now it was not the tender which had been accepted by the Privy Council according to the order you have just read what was accepted by the government; the contract was changed, and the work was given over to the Maritime Dredging and Construction Company at another company's price can you tell me how that was or have you no explanation of it at all?—A. I see that the order in council refers to dredging in St. John harbour including Courtenay bay, while contract No. 7304 is for dredging at and near Beacon bar, western side of the harbour of St. John alone.

Q. Then I shall have to ask you to read the whole contract because that will show whether it had anything to do with Courtenay bay or not. Look over the contract and see if you can find anything with reference to Courtenay bay.

An hon. MEMBER.—One o'clock.

Mr. DANIEL.—I will not have time to get through the remarks I have to make in a few minutes and I would like to have Mr. Lafleur come again on Friday.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, February 18, 1910.

The committee met at eleven a.m., the Chairman, Mr. Warburton, presiding.

The committee resumed the consideration of the payment of \$16,050.20 to the Maritime Dredging and Construction Company, dredging, St. John Harbour, N.B., V—193 Report of the Auditor General for the fiscal year ending 31st March, 1909.

Mr. EUGENE LAFLEUR, recalled:

*By Mr. Daniel:*

Q. Now, Mr. Lafleur, when you were last before this committee you read the letter of the secretary of the Department of Public Works to the Maritime Dredging and Construction Company stating that an order in council had been passed awarding them the contract; that letter gave the figures apparently that were passed by the order in council; is that a correct letter, Mr. Lafleur?—A. Yes.



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Q. You are sure it is correct?—A. Yes.

Q. And the figures named in that letter were the figures passed by the order in council?—A. Yes.

Q. You are sure. Well, now, here is a copy of the order in council and I will read it, and you can check me while I am reading and see that they are copies, so that there will be no doubt about it. (Reads.)

P.C. 314.

CERTIFIED Copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 16th February, 1909.

On a Memorandum dated 12th February, 1909, from the Minister of Public Works, submitting as follows:—

That in answer to public advertisement calling for tenders for dredging St. John harbour, including Courtenay Bay, in accordance with the terms of the specifications hereunto annexed, the following offers have been received:—

Letter.	Names and Addresses of Tenderers.	PRICE PER CUBIC YARD.			
		Scow Measurement.		Material Cast Over.	
		Rock or Boulders exceeding 2 cubic yards.	All other Materials.	Rock or Boulders exceeding 2 cubic yards.	All other Materials.
A.	Maritime Dredging and Construction Co., St. John, N.B.	\$5 00	\$0 35	\$5 00	\$0 35
		Beacon Bar, 50c. per cubic yard. Courtenay Bay, 35c. per cubic yard if dredging is done by dipper or clam shell dredge; 25c. per yard if dredging is done by suction dredge and the dredged material used for filling proposed breakwater and revetment wall.			
B.	The Dominion Dredging Co., Limited, Ottawa, Ont.				
	St. John Harbour, including Courtenay Bay.....	\$4 90	\$0 39½	\$3 00	\$0 30
C.	G. S. Mayes, St. John, N. B.:				
	St. John Harbour, including Courtenay Bay area, known as Courtenay Bay.....	Scow Measurement. Boulders exceeding 2 cubic yards, \$19.60 per cubic yard. Ledge or solid rock blasted, \$28 per cubic yard. All other materials, 79c. per cubic yard.			
		Cast Over. Boulders from ½ cubic yard to 2 cubic yards, \$9 per cubic yard. Boulders exceeding 2 cubic yards, \$19.80 per cubic yard. Ledge or solid rock blasted, \$28 per cubic yard. All other materials, 79c. per cubic yard.			
	Area commencing at C. P. R. wharf and extending 1,600 feet southerly towards Beacon Light being C. P. R. property.....	Scow Measurement, Towed to Dumping Grounds. Boulders from ½ to 2 cubic yards, \$9 per cubic yard. Boulders exceeding 2 cubic yards \$18.20 per cubic yard. Ledge or solid rock blasted, \$27 per cubic yard. All other materials, 74c. per cubic yard. For boulders, rock and other materials cast over, same prices.			
	Arena from lighthouse northerly to end of C. P. R. 1,600 feet strip above mentioned..	Same prices as for Courtenay Bay area.			

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That the Maritime Dredging and Construction Company is the lowest tendered and had deposited with the Department of Public Works a properly certified cheque for the sum of \$6,000 as security for the proper carrying out of this work.

That the appropriation granted by parliament at its last session for the current fiscal year include an amount of \$400,000 for St. John harbour, improvements, repairs and dredging, against which the cost of the work in question is properly chargeable.

That the resident engineer of the Department of Public Works reports that the prices asked for the different classes of material to be dredged are fair and reasonable, which report is concurred in by the chief engineer of the Department of Public Works.

That the work proposed to be done at or near Beacon Bar, which is on the western side of the harbour, is required to give accommodation for the rapidly developing business brought to the Port during the winter season over the Canadian Pacific Railway.

That the dredging of Courtenay Bay will be required for providing terminal facilities for the Grand Trunk Pacific Railway Company, but the minister is of opinion that unless and until definite arrangements are made with that company, for making the Port of St. John one of their Atlantic termini, it is not desirable to enter into a contract for dredging Courtenay Bay;

That the total quantity of dredging to be performed in both Courtenay Bay and Beacon Bar is ten million one hundred and ninety-three thousand cubic yards, scow measurement, divided as follows, according to the engineer's estimate: Beacon Bar, two million one hundred and ninety-three thousand cubic yards, Courtenay Bay, eight million cubic yards;

That the above mentioned quantities at the respective prices of 50 cents per cubic yard for Beacon Bar, and at 35 cents per cubic yard for Courtenay Bay, submitted by the Maritime Dredging and Construction Company of St. John, N.B., would amount to \$3,896,500 as against \$4,026,735 calculated at the uniform rate of 39½ cents per cubic yard, the price of the next lowest tenderer;

That the said Maritime Dredging and Construction Company has offered to proceed with the work of dredging upon the western side of the Harbour at the price of \$4.90 rock or boulders exceeding 2 cubic yards; 39½ cents all other materials, scow measurement; \$3 rock or boulders exceeding 2 cubic yards; 30 cents all other materials, cast over.

Mr. CROCKET.—Those are the prices of the Dominion Dredging Co's tender?

Mr. DANIEL.—Absolutely so. (Continues reading), and to oblige themselves to perform the work of dredging Courtenay Bay at the price named in their tender before or upon completion of the work upon the western side of the Harbour, and upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay Bay or to give work to such company;

The minister, therefore, recommends that authority be given to award a contract to the said Maritime Dredging and Construction Company to perform the dredging required upon the western side of the Harbour of St. John at and near the Beacon Bar, at the price of \$4.90 rock or boulders exceeding 2 cubic yards; 39½ cents all other material, scow measurement:—\$3 rock or boulders exceeding 2 cubic yards; 30 cents all other materials, cast over, to the amount of the balance of the appropriation now available for the purpose and to such further amount as parliament may allow from time to time, upon the company entering into an agreement as above provided.

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The minister further recommends that it be provided in the said contract that the same may be terminated at three months' notice at any time, upon the expiration of five years from the date thereof.

The Committee submit the same for approval.

(Sgd.) F. K. BENNETS,

*Assistant Clerk of the Privy Council.*

Q. Now, Mr. Lafleur, when the secretary of your department wrote that letter, as I have read it, to the Maritime Dredging Company, was it correct or not?—A. If the letter mentioned the prices of the Maritime Dredging Company, it was correct—

Q. I do not want any ifs about it at all. I want to know if that is a correct letter or not.—A. No, sir.

Q. How do you account for it?—A. I cannot account for it, sir.

Q. Are you in the habit of making typographical errors in the Department of Public Works?—A. I do not think there are any in that letter. If there was only one price that was changed it might be a typographical error, but all the prices are.

Q. It is all typographical errors?—A. No, sir, I did not say that.

Q. What is it then?—A. If there was only one figure changed I might think it a typographical error.

Q. What kind of error do you call it?—A. I do not know, sir.

Q. You have no name for it?—A. I cannot account for it.

Q. I thought the Minister of Public Works was more careful about clerical and typographical errors; he was last year, at all events. So this letter of the Secretary of your department was an altogether erroneous one, and did not convey to the Maritime Dredging Company a true statement of the case?

Mr. CARVELL.—Are you giving the evidence, or does the witness say that?

Mr. DANIEL.—He has already said the letter is erroneous.

Mr. CARVELL.—I would like the witness to answer the question and say yes or no.

*By Mr. Daniel:*

Q. Did that letter of Napoleon Tessier, Secretary of the Department of Public Works, convey a right or a wrong impression to the Maritime Dredging and Construction Company as to the contents of the order in council passed on the 12th of February?—A. I don't think it did, sir.

Q. I ask you did it convey a right or wrong impression?—A. I think it was a wrong impression.

Q. The order in council speaks about an offer that was made by the Maritime Dredging and Construction Company to do this work on terms different from the tender; where is their offer?—A. I have not got it, sir.

Q. You have not got it?—A. No, sir.

Q. Did you ever have it?—A. No, sir.

Q. Did you ever see it?—A. No, sir.

Q. Was there ever such an offer made in writing, to your knowledge?—A. I do not know.

Q. Not to your knowledge?—A. Not to my knowledge.

Q. If there had been would you have known it?—A. Well, not necessarily, sir.

Q. Would it not be your duty to know? Did not all such things pass through your hands?—A. Well, I cannot say that, sir.

Q. Is not your opinion asked on every one of these contracts that are entered into?—A. Yes, as to the prices being fair and reasonable. I reported upon those as to the price being fair and reasonable.

Q. Those were the prices, the work was not done at?—A. Yes, sir, the price it was not done at.



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Q. Did you ever report at the prices that the work is being done at?—A. No, sir.

Q. And is that frequently happening in your department?—A. Well, I suppose that if the prices were less than those tendered for, there was no use in obtaining my report. I had my reports before that the prices were fair and reasonable.

Q. You think that the prices the Maritime Dredging and Construction Company is doing the work at is less than the others, would you say that?—A. They are, sir, according to the contract and tender.

Q. Now, tell me this, Mr. Lafleur, why did you notify the department that the first figures of the Maritime Dredging and Construction Company were less and that it was a more favourable contract to enter into than that of the Dominion Dredging Company?—A. Well, taking everything into consideration and knowing that the tenders were called for St. John harbour and Courtenay bay, I figured out, and that was the consensus of my report, that taking the figures of the Maritime Dredging and Construction Company, the total amount, including Courtenay bay, would be \$4,102,300, and \$4,258,495 at the Dominion Company's prices.

Q. Now, will you tell me exactly how you made up these figures?—A. Yes, Beacon Bar, 2,193,200 cubic yards—

Q. Hold on a minute. Was your estimate made up by multiplying the amount of cubic yards in the whole of the Beacon Bar dredging by fifty cents?—A. No, sir, Beacon Bar, 2,193,200 cubic yards, at fifty cents, \$1,096,100. Then the inner portion, for which there was a price—

Q. In the what?—A. In the tender here.

Q. Will you show it to the committee?—A. (Pointing to document.) Thirty-five cents is mentioned here by the Maritime Dredging Company, 35 cents and 50 cents.

Q. What was the 35 cents for?—A. That was for the inner portion which was not so hard to perform as the outer portion.

Q. Show me that in the tender.—A. Here, sir. (Pointing out in tender.) 'All other materials 35 cents.'

Q. Beacon Bar, 50 cents per cubic yard?—A. Yes, sir. That was only a repetition of the 50 cents just above.

Mr. CARVELL.—Doctor, that would make it all the more so, it does not help your contention at all.

Mr. DANIEL.—I just want to show that the engineer's estimate was a tricky estimate, and not according to the—

Mr. CARVELL.—Now, Mr. Chairman, I protest against such a statement.

The CHAIRMAN.—I do not think you should apply such a term to this witness.

Mr. DANIEL.—I am not applying it to Mr. Lafleur at all.

Mr. CARVELL.—You had better withdraw that statement.

Mr. DANIEL.—I am going to show you how it is.

The CHAIRMAN.—I do not think you should so characterize Mr. Lafleur.

Mr. DANIEL.—I do not want to cast any reflection on Mr. Lafleur, I know he tries to do the best he can under very difficult circumstances.

*By Mr. Daniel:*

Q. Fifty cents for Beacon Bar, is it not?—A. Yes, sir.

Q. Does that offer to dredge Beacon Bar at fifty cents make any difference as between any part of the dredging there?—A. Well, in my estimation it did at the time.

Q. Does the tender do it?—A. Yes, because there are two prices, 35 cents and 50 cents.

Q. I have just read the offer for 50 cents, now I will read that for 35 cents. (Reads): 'Courtenay bay—35 cents per c. yd., if dredging is done by dipper or clam shell dredge, 25 cents per c. yd., if dredging is done by suction dredge and the

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dredged material used for filling proposed breakwater and revetment wall.' Now, Mr. Lafleur, how can you apply any of that 35 cents to the Beacon Bar work under that tender?—A. Well, I may have been mistaken but at the time, I took it with the inner portion of the Beacon Bar, I considered it divided in my own estimate.

Q. Who made the estimate in the first place?—A. Mr. Scammell.

Q. Mr. Scammell or Mr. Louis Coste?—A. Most certainly Mr. Scammell.

Q. At all events Mr. Scammell signed it?—A. Yes.

Q. And you went over it?—A. Yes, sir.

Q. And approved of it?—A. I thought it was correct, sir.

Q. Why did you approve of charging 35 cents at Beacon Bar and making an estimate on that for a certain amount of it when the tender was for 50 cents?—A. I may have been mistaken but there are two prices there 35 and 50 cents.

Q. Not for Beacon Bar?—A. That second line you have read, 'Beacon Bar, 50 cents,' is only a repetition of the 50 cents mentioned just above. You have two lines there, sir. other materials 35 cents and 50 cents and just below that—

Q. Have you got the original tender?—A. No, sir, I have not.

Mr. CARVELL.—Do you not see that it would add to the cost of the Dominion Dredging Company, \$83,000. For instance the witness has said that the way he figured out the tenders he made the cost of the Dominion Dredging Company's tender to be, including Courtenay bay, \$4,102,300. Now, if you take the whole of Beacon Bar at 50 cents instead of being \$4,253,000 it would be \$4,351,000 which makes it still greater.

Mr. DANIEL.—The Maritime Dredging Company's offer would have been, if the right calculation had been made, some \$89,000 more than it was.

Mr. CARVELL.—No, the Dominion Dredging Company's offer.

Mr. DANIEL.—No, sir, that is the Maritime Dredging Company's bid.

Mr. CARVELL.—It would have made the Dominion Dredging Company's tender—

Mr. DANIEL.—Some \$89,000 more than it was. And that is why I used the word 'tricky.' You can call it anything you like.

Mr. CARVELL.—I cannot agree with you upon that.

Mr. DANIEL.—What do you make out of it?

*By Mr. Daniel:*

Q. Mr. Lafleur, it is said in this order in council that the Maritime Dredging and Construction Company 'has offered to proceed with the work of dredging upon the western side of the harbour' at the prices named; you have never seen that offer, it has not been in your hands, you do not know of the existence of any such offer, and you cannot tell how it got into this order in council, or where it came from or to whom it was made?—A. No, sir.

Q. As a rule, such offers are made in writing, are they not?—A. They should be in writing.

Q. But this offer was never made in writing and was never tendered in the ordinary way?—A. I cannot say as to that.

Q. Well, so far as you know?—A. So far as I know.

Q. Are you not expected to know about these things?—A. Well, I do not know, not when any special offer of that kind has been made.

Q. Didn't you report on this offer and whether it was a proper agreement to be entered into?—A. No, sir

Q. You never reported?—A. No.

Q. And you were not even asked to report?—A. Not under the circumstances, no, sir.

Q. This offer appears to be of a private nature. Now was any offer made by the Dominion Dredging Company, to hark back for a moment to the price for the Beacon Bar work, the Maritime Dredging and Construction Company made an offer to do the Beacon Bar work for 50 cents, and the Dominion Dredging Company made an offer to do it for 39½ cents?—A. Yes.

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Q. And still the Maritime Dredging and Construction Company were given the work at the prices named by the Dominion Dredging Company?—A. It would appear so.

Q. And the Dominion Dredging Company were not given any opportunity of doing that work on Beacon Bar at 39½ cents?—A. The contract was certainly awarded to the Maritime Dredging and Construction Company.

Q. And you have no explanation other than what you have already said as to how or why that was done?—A. No, sir.

Q. Would it, in your opinion, or not, look like favouritism to one of these companies to the disadvantage of the other?—A. I cannot answer that question.

MR. CARVELL.—I object to that question.

MR. DANIEL.—If you object, I do not want to make it unpleasant at all.

THE CHAIRMAN.—I do not think you can ask him that question.

*By Mr. Daniel:*

Q. Is there any undertaking in this order in council as to Courtenay Bay, Mr. Lafleur. I think you will find it there where it says: "and to oblige themselves to perform the work of dredging Courtenay Bay at the price named in their tender."—A. Where is that, sir.

Q. It is on the third page of my copy. It says, "and to oblige themselves to perform the work of dredging Courtenay Bay at the price named in their tender before or upon the completion of the work upon the western side of the harbour, and upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay Bay or to give the work to such company." What would you understand by that? That the company is bound and the government is not bound?—A. Yes.

Q. And what price would you expect the Maritime Dredging and Construction Company if they were called upon to do the dredging of Courtenay Bay, would get? What price would you expect would be charged?—A. Well, I should imagine the prices of their tender.

Q. Just see what are the prices.—A. 35 cents and 25 cents.

Q. That is not so, according to the reading of this contract; if the Maritime Dredging and Construction Company have to dredge out Courtenay Bay they would get what?—A. 35 cents if done by dipper dredge and 25 if done by hydraulic dredge.

Q. Very well, we will see now how the contract reads. Now, in the offer that was made, Mr. Lafleur, by the Maritime Dredging and Construction Company they did not bind themselves in any way for Courtenay Bay—but you have said you do not know of any offer.

MR. CARVELL.—He cannot answer that.

*By Mr. Crocket:*

Q. I would like to understand this. You told Dr. Daniel that there was no offer that you are aware of, notwithstanding it was so stated in the order in council, by the Maritime Dredging and Construction Company to do the work for 39½ cents?—A. No, sir.

Q. And there was no offer either that you are aware of, or no written communication on file in the department at the time the order in council was passed undertaking to do the work on those terms either?—A. I cannot say that.

Q. You knew of none?—A. I know of none.

Q. And as chief engineer of the Department of Public Works don't you think if there had been such an offer you would have known of it or ought to have known of it?—A. Not necessarily.

Q. However, there was none, to your knowledge?—A. There was none to my knowledge.



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*By Mr. Daniel:*

Q. Now, Mr. Lafleur, I want to refer for a moment to the contract itself.—A. Yes.

Q. I ought to put this on record but I do not want to detain the committee by reading all of it.

MR. CARVELL.—Take all the time you want, we think this will bear the closest scrutiny.

MR. DANIEL.—Very well, we will have to take the time, then.

MR. MCKENZIE.—If any part of the contract is going in as evidence the whole thing should go in.

MR. DANIEL.—All I thought was that the stenographer could put it in with the record.

THE CHAIRMAN.—You will have to read it, Doctor, if you want it to go on the record.

MR. DANIEL.—Very well, this is the contract that was signed on the 10th of May, 1909.

MR. CARVELL.—You need not read the printed part of it.

MR. DANIEL.—I will read it all. You can correct me if I make any mistakes, Mr. Lafleur. (Reads).

Whereas, tenders were called for by public advertisement, and the Maritime Dredging and Construction Company have offered to the Department of Public Works to perform the work of dredging upon the western side of the harbour of St. John, New Brunswick, at and near the Beacon Bar, at the following prices, namely: Four dollars and ninety cents (\$4.90) for rock or boulders exceeding two cubic yards; and thirty-nine and a-half (39½) cents for all other materials, scow measurement. Three dollars (\$3.00) for rock or boulders exceeding two cubic yards; and thirty (30) cents for all other materials cast over.—and to oblige themselves to perform the work of dredging at Courtenay bay at the price named in their tender before or upon completion of the work upon the western side of the harbour, and upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay bay or to give them the work.

And whereas, an order in council has been passed on the 16th day of February, A.D. 1909, granting authority to enter into an agreement with the said Maritime Dredging and Construction Company to perform the dredging required upon the western side of the said harbour of St. John, New Brunswick, at and near Beacon bar, at the prices above mentioned, to the amount of the balance of the appropriation now available for that purpose, and to such further amount as parliament may allow from time to time.

Now this indenture, made in duplicate, this tenth day of the month of May, in the year of Our Lord one thousand nine hundred and nine,

Between the Maritime Dredging and Construction Company, having their chief place of business at the city of St. John, in the province of New Brunswick, Dominion of Canada, represented herein by John E. Moore, manager of the same, hereinafter called 'the contractor,'

Of the first part;

And His Majesty King Edward the Seventh, represented herein by the Minister of Public Works of Canada,

Of the second part.

Witnesseth that the contractors, for themselves and their and each of their heirs, executors, administrators and assigns, hereby contract—

MR. CARVELL.—Give us the substance of the contract; that is all we want.

MR. DANIEL.—That is all I want to do. The document goes on in the ordinary

## APPENDIX No. 2

wording of the usual dredging contract, and it gives the prices as already mentioned, namely, \$4.90 and 39½ cents per cubic yard. Then it goes on, and I want to read this. (Reads):—

Time shall be deemed to be of the essence of this contract. And it is specifically understood in the brief that the said contractors hereby bind themselves, their heirs and successors, to perform the work of dredging at Courtenay bay, at the prices named in their tender, before or upon completion of the work upon the western side of the harbour of St. John—and also upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the said harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay bay or to give them the work.

Mr. CROCKET.—When was that contract executed?

Mr. DANIEL. 10th May, 1909.

*By Mr. Daniel:*

Q. Now, Mr. Lafleur, under this contract, supposing the work was carried on and done in Courtenay bay, what would be the charge for dredging?—A. As I said before, 35c. and 25c.

Q. How do you show it; 35 cents is not mentioned in this at all?—A. No, sir. It—

Q. It gives the figures under which the contract is made as \$4.90, and 39½ cents for all other material; now where do you get the 25 cents in the contract?—A. In the clause you have just read the contractors pledge themselves to perform the work for the price in their tender.

Q. Is not this their tender?—A. No; that is the contract.

Q. Then we will read the tenders. This tender is for the western side of the harbour of St. John, at or near Beacon bar: 'Rock or boulders exceeding 2 cubic yards, \$4.90; all other materials, 39½ cents per cubic yard.'—A. That is the Dominion Dredging Company's tender.

Q. It is not, it is the Maritime Dredging and Construction Company, John E. Moore, manager. So that the contract is absolutely different from the order in council. The Maritime Dredging and Construction Company, who offered to do the work down there for 50 cents, got it at the exact figures of the Dominion Dredging Company.

Mr. CARVELL.—And that is ten or twelve cents less than their offer.

Mr. DANIEL.—According to the estimate which Mr. Lafleur gives, on about \$4,000,-000 cost the difference was \$156,000.

The WITNESS.—That is the difference.

Mr. DANIEL.—They take away the contract from the man who offered to do it at 39½ cents and give it to the Maritime Dredging and Construction Company, and you, Mr. Lafleur, have no reply to make to it?

Q. There is just one other thing that I want to speak about in regard to that tender. This is a letter of Mr. Tessier's. His name is not signed to the document, but the letter evidently is from him. (Reads):—

OTTAWA, August 25, 1909.

SIR,—I am directed to send you herewith inclosed, in duplicate, the specification and tender combined, for dredging of the Harbour of St. John, N.B., (Courtenay Bay), and to ask you to kindly have these documents signed by the Maritime Dredging and Construction Company, per John E. Moore, Manager, in your presence as witness. This specification and tender should have been annexed to the contract, signed on the 10th day of May, for dredging at Beacon Bar,—and it is due to a clerical error if it has not been done so. As soon as these documents shall have been executed, you will please return them to me for the departmental

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signature to be affixed thereon, after which, I will return you one of these duplicates to be handed to the company for an annex to their contract dated 10th May last.

I have the honour to be, sir,  
Your obedient servant,

*Secretary.*

J. K. SCAMMELL, Esq.,  
District Engineer, St. John, N.B.

This letter is dated the 25th August and it refers to a contract entered into on the 10th of May. Shall I remind you again of what it says?—A. I think I can remember.

Q. How do you account for that?—A. I cannot account for it.

Q. But what does it mean? It means that if the contract was really signed on the 10th May it was signed without any tender from the Maritime Dredging and Construction Company being attached to it, does it not mean that?—A. Well, it appears by the letter that——

Q. So it appears from this. That letter was not remitted until after the 25th of August and the tender is dated 10th May, as you know. That is all that I will add with regard to this matter. Any members of the committee who wish to ask the witness questions can do so before I proceed to another point.

Mr. BLAIN.—What is the net loss to the country?

Mr. DANIEL.—I do not know. I cannot tell that. The contract has got five or six years to run and more.

Mr. CARVELL.—So far as Beacon Bar is concerned it is a gain of \$281,000.

Mr. DANIEL.—The point I wish to make is, as to whether these tenders have been manipulated.

*By Mr. Carvell:*

Q. Now, Mr. Lafleur, you stated that for some reason or other you had figured 588,000 cubic yards in the inner portion of Beacon Bar at 35 cents a yard?—A. Yes.

Q. Do you know why that was done?—A. The work to be done within the other portion might have been included in ordinary material.

Q. And for that reason you figured it that way. Assuming that you hadn't the right to do that, figuring up the cost of this work to the different tenderers you had added 588,000 yards to the 2,193,000 yards, you might make some calculations and see if I am right in my calculations, and figure it out at 50 cents a yard?—A. It would amount to \$1,096,500—no—

Q. It would be more than that?—A. Yes.

Q. I figured it out and make a difference of \$83,200.

Mr. DANIEL.—\$88,000 odd.

*By Mr. Carvell:*

Q. \$83,200 is what I make it?—A. That is about it, sir.

Q. Making the money value of the Dominion Dredging Company's tender as figured out by the engineer, \$4,102,300.

Mr. DANIEL.—The engineer has said that he had no business to figure on those figures in the tender. He has already stated that he had no right to reckon any portion of Beacon Bar at 35 cents.

*By Mr. Carvell:*

Q. Now the figure of that offer being \$4,102,300, if you had figured the whole of the Beacon Bar work, that is if you add 15 cents a yard on 588,000 cubic yards it would make an addition of \$83,200?—A. That is right.



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Q. And it would have made the total cost of the Dominion Dredging Company's tender at 50 cents for the Beacon Bar work, \$4,185,500?—A. Yes.

Q. At more than the Maritime Dredging and Construction Company's price? Well now, that raises the question. My friend speaks about the order in council; there is some little discrepancy between the figures of the order in council and the estimate of the department, is there not?—A. In the contract price?

Q. No, no, not the contract price, the quantities?—A. In the quantities, yes.

Q. But taking the quantities as you have them there does it figure \$4,185,500 as the cost of the Maritime Dredging and Construction Company's tender?—A. If the whole of it was at 50 cents.

Q. And taking the Dominion Dredging Company's tender, according to the same quantities and their prices, what does it figure? You have it down there, \$4,258,495, is it not?—A. Yes.

Q. And that still leaves the Maritime Dredging and Construction Company's offer how much less than the Dominion Company's offer?—A. Practically \$70,000.

Q. \$73,000 I make it?—A. Yes, \$73,000.

Q. Then, if you figure the Beacon bar at 50 cents, the Maritime Dredging and Construction Company's offer would be \$73,000 less than the Dominion Dredging Company's offer?—A. According to those figures.

Q. Now, in the contract the government only agreed to go on with this part of the work?—A. The west St. John work, Beacon bar.

Q. And the company has no right under this contract to do the Courtenay bay work unless the government offers them the work?—A. That is right, sir.

Q. So that leaving out of the question whether they do that work later on, whether they get 39½ or 35 cents, and doing only the Beacon bar work which their contract calls for, I want you to do some figuring on that. What is the total estimated quantity of material to be removed on the Beacon bar work?—A. 2,781,000 cubic yards.

Q. At 50 cents a yard, figure that out; that is what my friend says it should be figured at?—A. \$1,390,500.

Q. That is, if they had that work now according to their tender at 50 cents a yard they would get \$1,390,500 for doing it?—A. Yes.

Q. Now, I want you to take the same amount and figure it out on the contract price of 39½ cents?—A. \$1,098,495.

Q. Now subtract them, please?—A. The difference is \$292,005.

Q. Then, if the Maritime Dredging and Construction Company had made a contract with the government to do the Beacon bar work at their tender they would have got \$1,390,500?—A. Yes.

Q. At the contract price they will only get \$1,098,495, or a loss to them and a gain to the country of how much?—A. \$292,005.

Q. Now, then, you figure that if you made these same figures and allowed \$588,000 to the Beacon bar at 35 cents a yard, there would have been over \$200,000 gain to the country?—A. Yes, sir.

Q. And you say again that the contract only provides for the Beacon bar work and not for the Courtenay bay work?—A. Yes, sir.

*By Mr. Daniel:*

Q. If this contract had been entered into at the rate of 39½ cents, the figures of the Dominion Dredging Company—if the contract had been given to that company for the Beacon bar work at these figures, would not the saving be exactly the same as Mr. Carvell has stated?—A. Yes, sir.

Q. Just the same. And if the contract was given to the Maritime Dredging and Construction Company for dredging Courtenay bay they would do it at 39½ cents, and the result would be that the country would be out \$150,000, is not that correct?—A. According to the figures I stated a few minutes ago, the country would be in to the extent of \$156,000.

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Q. If what?—A. If these prices of 50 and 35, including Courtenay bay at 35 cents, were given to the company.

Q. Were given to what company?—A. To the Maritime Dredging Company at the prices of \$4.90, 39½ and 35 cents.

Q. Mr. Lafleur, just listen to me for a moment. The figures on which this contract is founded are the figures of the Dominion Dredging Company, are they not?—A. Without doubt, sir.

Q. You have already told us that in your estimate of the cost, as between the two tenders, you found the Dominion Dredging Company's tender the highest by \$156,000?—A. Yes.

Mr. CARVELL.—That is figuring 388,000 yards at 35 cents.

Mr. DANIEL.—I am giving his own estimate.

*By Mr. Daniel:*

Q. And you say that this contract, which has been given to the Maritime Dredging Company, back of the other company's tender, if the Courtenay bay work was gone on with, would cost the country \$156,000 more than if the Dominion Dredging Company's tender had been accepted?—A. No, I did not say that.

Q. Well, what did you say?—A. Because the prices of their tender, as the order in council mentioned, was 35 and 25 cents.

Q. You have already stated that in the contract the figures are given at \$4.90 for rock, 39½ cents for all other material and so on, the figures of the Dominion Company, and you have stated that on your estimate that contract would cost \$156,000 more than the other?—A. No, sir, I figured on the 35 cents basis in my estimate. I figured on 35 cents not 39½ cents.

Q. For what?—A. For Courtenay Bay.

Q. Under this contract?—A. No, sir, under the original tender. This report was based on the original tenders.

Q. I am aware of that and the figures in this contract are the same as in the original tender with the parties reversed. That is all?—A. That is all, sir.

Q. And you stated in your testimony that under your estimate as made up originally, as between the two tenderers, the Dominion Dredging Company's tender was the highest by \$156,000 and those are the figures which have been contracted for?—A. Figuring on the original tenders that is exactly how it was.

Q. You understand me?—A. I understand you perfectly well.

Q. Because you seem to be wobbling a little in this matter and I want to be perfectly honest and open. To me the matter seems as plain as possible.

Mr. MCKENZIE.—As a member of the committee I want to understand the evidence and I would like the honourable gentleman who is conducting the examination to ask questions instead of making speeches.

*By Mr. Daniel:*

Q. I have been asking a great many questions and the difficulty is to get answers. I will ask you again once for all. Of the original tenders put in, the two principal ones, one was by the Maritime Dredging and Construction Company and the other by the Dominion Dredging Company. The Maritime Dredging and Construction Company bid for certain work at 50 cents and for certain other work at 35 cents. The Dominion Dredging Company offered to do the whole work at a flat rate of 39½ cents. You had to estimate on the two offers, and your estimate was that if the Dominion Dredging Company's tender was accepted it would cost the country \$156,000 more than if the Maritime Dredging Company was awarded the contract. Is that true?—A. Correct, sir.

Q. And the result is that the Maritime Dredging and Construction Company got the contract at the Dominion Construction Company's figures which, if the whole work is done, will cost \$156,000 more than if the Maritime Dredging and Construction Company's figures were accepted.—A. That is correct, sir.

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*By Mr. Carvell:*

Q. And as a matter of fact the contract only calls upon them to do the Beacon bar portion of it?—A. Not the Courtenay bay, sir.

*By Mr. Daniel:*

Q. Does that contract not give the government authority to call upon this company to do the Courtenay bar work?—A. Yes, sir. But there is a clause in the order in council which distinctly says that there will be no contract for it.

*By Mr. Carvell:*

Q. The tenders which were called for this work in the first instance were tenders for Beacon Bar and Courtenay Bay?—A. Including Courtenay Bay, sir. The St. John harbour including Courtenay Bay.

Q. And the order in council authorized the contract to be entered into only for Beacon Bar?—A. Yes, sir.

Q. You figured that the Maritime Dredging and Construction Company's tender on the whole work cost \$156,000 less than the Dominion Dredging Company's tender for the same?—A. Yes, sir.

Q. But on the Beacon bar work the Maritime Dredging and Construction Company's tender was considerably higher than that of the Dominion Dredging Company; it was 50 cents a cubic yard and the Dominion Dredging Company's tender was 39½—A. That is so.

Q. But on the Beacon bar work the Maritime Dredging and Construction Company received the contract for Beacon bar?—A. Yes, sir.

Q. Upon which the Dominion Dredging Company put in a lower tender?—A. Yes, sir.

Q. The order in council sets forth that the Maritime Dredging and Construction Company had offered to proceed with the work of dredging upon the western side of the harbour, that is Beacon bar?—A. Yes, sir.

Q. You say there was no such offer to your knowledge?—A. To my knowledge there was none.

Q. And it also sets forth that they would bind themselves to perform the work of Courtenay Bay at the price stated in their tender?—A. Yes, sir.

Q. There was no such offer as that to your knowledge?—A. Not to my knowledge, no, sir.

Q. Therefore these statements in the order in council, so far as you know, are untrue statements.

The CHAIRMAN.—He does not know anything about them?—A. I do not know anything about them.

*By Mr. Crocket:*

Q. If there had been a tender would it not necessarily have come under your notice?—A. Not necessarily, sir, if it was for lower figures than the highest bidder.

Q. Would it not ordinarily have come under your notice?—A. I say no, not if it was for a lower figure than the highest bidder.

Q. However you know of no such offer?—A. No, I do not.

Q. Although those were the terms of the order in council the contract is not in line with it, is it? I call your attention to the terms of the order in council and this is the first statement: 'Whereas tenders were called for by public advertisement and the Maritime Dredging and Construction Company have offered to the Department of Public Works to perform the work of dredging upon the western side of the harbour of St. John, New Brunswick, at and near the Beacon bar at the following prices, namely,' and then it sets out the prices of the Dominion Dredging Company. Now in regard to that statement, Mr. Lafleur, set out in that public document, were tenders called for by public advertisement for the Beacon bar exclusively?—A. No, sir.



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Q. Therefore that statement in this public document is an untrue statement; is not that correct?—A. I cannot say. I cannot say that such words are untrue. There was only one tender to my knowledge called for and that was for the St. John harbour including Courtenay Bay.

Q. And those tenders were receivable up to the 6th October?—A. Yes, sir.

Q. No other tenders that you know were called for?—A. No, sir.

Q. Then the contract was entered into, excepting as to this provision in reference to Courtenay Bay, in the terms that Dr. Daniel has read?

This provision that Dr. Daniel read: 'Time shall be deemed to be the essence of this contract, and it is specifically understood and agreed that the said contractors hereby bind themselves, their heirs or successors to perform the work of dredging at Courtenay Bay at the price named in their tender'?—A. Yes.

Q. You noticed that?—A. Yes.

Q. In their tender annexed to that contract, that is the only price named there, 39½ cents?—A. That is the only price I can see there.

Q. So that according to the contract here and the last clause of that contract, notwithstanding, you understood from the order in council, that work at Courtenay Bay, if they were called upon to do it, should be done at 35 cents; the contract actually provides that they shall get 39½ cents for Courtenay Bay work?—A. According to the reading of the contract it would appear so.

Q. That makes it very clear, does it not, Mr. Lafleur, that upon the basis of the contract that is actually entered into the Maritime Dredging Company have got this whole contract upon the Dominion Dredging Company's figures?—A. It would appear so, sir.

Mr. CARVELL.—You mean that the government can ask them to do that?

Q. I say if they are called upon to do so at the Dominion Dredging Company's figures?—A. Yes.

Q. And if they do they have \$156,000 more than they would upon the basis of their original tender?—A. I do not figure that out.

Q. You have stated they would?—A. No, no.

Q. You have already stated that, have you not, Mr. Lafleur, that the difference between the Maritime Dredging and Construction Company's tender and the Dominion Dredging Company's tender applied to the work was \$156,000?—A. Yes, but I say I did not figure out what would be the total amount if it were figured at 39½ cents. I figured it out at the time at 35 cents.

Q. You must have figured it out if you moneyed out the Dominion Dredging Company's contract at 39½ cents?—A. Excuse me, you were just figuring the price which the government would have to pay under the contract for dredging in Courtenay Bay. You stated it was 39½ cents, and then you proceeded to say that I figured there was a saving to the country of \$156,000; that saving was based not on the price of 39½ cents for Courtenay Bay, but 35 cents, the price in the original tender.

Q. I have read you this contract, and you see the effect of the contract is that they are to be paid 39½ cents for the Courtenay Bay, if they are called upon to do it?—A. Yes.

Q. They are getting 39½ cents for Beacon bar under the contract?—A. Yes.

Q. So that if they are called upon to do the Courtenay Bay on that contract they will have received for the whole work 39½ cents, precisely the same as the Dominion Dredging Company tendered for it?—A. That is exactly the case.

Q. And you told us that the Dominion Dredging Company's tender moneyed out at \$156,000 more than the Maritime Dredging Company's tender?—A. I told you so, yes.

Q. So that the result is that this having been worked in this way, the Maritime Dredging and Construction Company, if they are called upon to do the Courtenay Bay work, will get \$156,000 more than their original tender called for, that is clear, is it not, Mr. Lafleur?—A. I do not think it is. I do not think you have figured that out.

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*By Mr. Daniel:*

Q. He has already stated that?—A. I have not. What I have stated was that it worked out \$156,000; that was based on the original price of 39½ cents; that was the figure for the Dominion Dredging Company, and the price of 30 cents and 35 cents for Courtenay Bay for the Maritime Dredging and Construction Company. That is the way I made my figure of \$156,000 saving for the country. I think the matter is a little mixed either in my mind or in yours.

Q. It is very clear to me?—A. I do not think so, if you figure 8,000,000 yards at 39½ cents, that is what should be figured out.

Q. If that contract is as has been stated when they are called upon, and if they are called upon to do the Courtenay Bay dredging and that they are to receive 39½ cents for the work, the same as the Dominion Dredging Company's tender, it puts them in the same position precisely as the Dominion Dredging Company would be upon the basis of their original tender. Is not that clear?—A. Yes, that is clear.

Q. Well, that being the case that the Dominion Dredging Company's original tender moneyed out at \$156,000 more than the Maritime Dredging and Construction Company's original tender?—A. Yes.

Q. Therefore if they get the Dominion Dredging Company's price they get \$156,000 more than they would have got if their original tender had been accepted and acted upon.

Mr. CARVELL.—Pardon me a moment. In the return sent to you was there not a contract for Courtenay Bay work, or is it all included in the one contract?

Mr. DANIEL.—That is the only contract pending in St. John Harbour relating to Courtenay Bay or Beacon Bar.

*By Mr. Carvell:*

Q. I would just like to ask a question. Mr. Lafleur, I want to read to you this contract and see if anything here provides that the Courtenay bay work can be done for 39½ cents, or that they could get 39½ cents if they happened to do the Courtenay Bay work. (Reads.)

## DEPARTMENT OF PUBLIC WORKS.

We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery, and to execute and perform dredging in the following mentioned rivers and harbours and their approaches in the province of New Brunswick, the western side of the Harbour of St. John, at and near the Beacon Bar, and in strict accordance with the following specification and conditions, for the following prices per cubic yard, scow measurement:—

Rock (blasted) or boulders exceeding 2 cubic yards \$4.90 (four dollars and ninety cents) per cubic yard, scow measurement, towed to dumping ground.

All other materials 0.39½ (thirty nine and a half cents) per cubic yard, scow measurement, towed to dumping ground.

Rock (blasted) or boulders exceeding 2 cubic yards \$3 (three dollars) per cubic yard, bucket measurement, cast over, 20 feet from cut.

All other materials 0.30 (thirty cents) per cubic yard, bucket measurement, cast over, 20 feet from cut.

That does not say anything about getting 39½ cents for Courtenay Bay work does it?—A. It is not a tender for Courtenay Bay at all.

Q. Then this contract is only a contract for the western side of the Harbour of St. John at and near the Beacon Bar?—A. That is so.

Q. That is the tender, and it provides—

Mr. CROCKET. —You have lost sight of the last clause of the contract.

*By Mr. Carvell:*

Q. Which provides that if they do the Courtenay Bay work then they do it according to their tender, is that right?—A. Yes.

Q. And the tender is 35 or 25 cents per cubic yard?

Mr. DANIEL.—You have it in your hands, read it.

Mr. CARVELL.—I have read all this to the committee; 39½ cents is for the western side of the Harbour.

Mr. DANIEL.—Is it not the only figure mentioned in the tender?

Mr. CARVELL.—Certainly it is the only price for the western side.

Mr. DANIEL.—Where do you get 35 cents in that tender?

Mr. CARVELL.—Certainly not, it is only 39½ cents for the western bar.

Mr. DANIEL.—It is not here, I would like you to find where it states 35 cents.

Mr. CROCKET.—I will find it. (Reads.)

‘Time shall be deemed to be of the essence of this contract and it is specifically understood and agreed that the said contractors hereby bind themselves, their heirs and successors, to perform the work of dredging at Courtenay Bay.’

You said there was nothing about Courtenay Bay there.

Mr. CARVELL.—Go on.

Mr. CROCKET.—‘At the prices named in their tender.’

Mr. CARVELL.—At what rate?

Mr. CROCKET.—39½ cents.

Mr. CARVELL.—It is not there, you cannot find it there.

Mr. BLAIN.—Is there any mention of 35 cents there?

Mr. CARVELL.—And there is no mention of Courtenay Bay.

Mr. CARVELL.—You said there was no mention of Courtenay Bay in the contract.

Mr. CARVELL.—I said there was no mention of it in the tender.

Mr. CROCKET.—I have already put it on record.

Mr. CARVELL.—Nobody ever said, Mr. Chairman, that this tender was any more than a tender for the work at Beacon Bar. But the contract is for the work at Beacon Bar with a proviso that they may be called upon also to do work at Courtenay Bay.

Mr. CARVELL.—At the price of their tender?

Mr. DANIEL.—Exactly.

Mr. CROCKET.—At the price of their tender, which was 39½ cents.

Mr. CARVELL. You cannot find it there.

Mr. CROCKET.—I stake my professional reputation that the Maritime Dredging and Construction Company, taking that agreement into court, have a binding obligation for the work at Courtenay bay for 39½ cents.

*By Mr. Crocket:*

Q. Just one other question. Dr. Daniel called your attention to a letter which was written by the secretary of the department, Napoleon Tessier, on the 25th August, 1909, from which it appeared that at that time there was no tender annexed to this contract?

Mr. CARVELL.—Here is the original; you will probably find some valuable information if you look at that.

Mr. CROCKET.—What is the original?

Mr. CARVELL.—That is the original contract; that is the Courtenay bay tender (holding up the document).

Mr. DANIEL.—That is the Maritime Dredging and Construction Company's contract.

Mr. CARVELL.—There are two tenders, and the Beacon bar tender is at 35½ cents.

Mr. CROCKET.—That was not accepted.



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Mr. CARVELL.—That is the original contract. You read it over in the presence of Mr. Doody. You read it over yesterday, and you knew it was there, and yet you try to mislead this committee by not bringing out the facts.

Mr. CROCKET.—I protest against any such insinuations by Mr. Carvell. I want to say that these papers were furnished to me by Dr. Daniel, and they were handed to him by Mr. Doody, of the Public Works Department.

Mr. DANIEL.—That is right.

Mr. CROCKET.—Dr. Daniel asked me about this case yesterday, and we went over the matter together. I have conducted the examination upon the papers that were furnished to Dr. Daniel by Mr. Doody. As far as this contract of which Mr. Carvell speaks, to which two specifications are now annexed, is concerned, I do not recollect that the matter ever came to my attention. The papers that I have are precisely as they were put into my hands by Dr. Daniel, and they came from the Public Works Department.

Mr. CARVELL.—If my honourable friend will tell me that those papers were not in his possession, I will not make any reflection upon his honour.

The CHAIRMAN.—He has said that.

Mr. CARVELL.—I was told the honourable gentleman went over the papers yesterday with Mr. Doody.

Mr. CROCKET.—I did not go over the papers with Mr. Doody yesterday. He had papers for Dr. Daniel, and I looked over them with him.

Mr. CARVELL.—If Mr. Crocket will say that those papers were not in his possession, I certainly do not want to cast any imputations upon him. I was informed that Mr. Crocket and Dr. Daniel had those papers, and the inference was so strong that something was being withheld that I could not help making the statement that I did.

The CHAIRMAN.—Mr. Crocket has said that he has not studied that paper.

Mr. DANIEL.—Let us examine this matter. I find here two tenders from the Maritime Dredging and Construction Company, one the original tender that was first sent in when tenders were asked for, and the other a tender based on the Dominion Dredging Company's figures. Now they are both attached and the contract is based upon the second tender; there is no mistake about that.

Mr. CARVELL.—That is my argument.

Mr. DANIEL.—It cannot be based upon both of them. The thing is as plain as a pike staff. I asked Mr. Lafleur to-day if there was any tender from the Maritime Dredging and Construction Company to do this work at the Dominion Dredging Company's figures, and he said no. Now, there are the facts, and Mr. Crocket's statement is absolutely correct, that that contract is based upon one of these two tenders.

Mr. CARVELL.—You have the original in your hands.

Mr. DANIEL.—I have got both; they are both originals.

Mr. CARVELL.—This is the only copy here.

Mr. DANIEL.—Both tenders are here, what more do you want? One is based on the figures of the Dominion Dredging Company sent in by the Maritime Dredging and Construction Company, and the other is the original offer of the latter company when tenders were first called. The contract is based on the second tender sent in.

Mr. CARVELL.—Now, you had better go on and examine the witness on the basis of that additional information.

Mr. CROCKET.—I have made my statement, and I think the evidence shows that there was no attempt made to mislead the committee. That could be disproved by the public documents which my honourable friend has read.

*By Mr. Crocket:*

Q. Now, Mr. Lafleur, you have stated, and it has been pointed out here, that the order in council in its terms referred to the Maritime Dredging and Construction Company having offered to do the work at 39½ cents?—A. That is what the order in council says.

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Q. That is the tender, if there was such a tender, upon which that order in council was based, was it not?—A. That is correct.

Q. And the tender upon which the contract is based, is it not?—A. Yes, I think so.

Q. So that the reference in the contract to the tender would be to the tender upon which the contract was based and not upon the tender—

Mr. CARVELL.—Oh, no.

The CHAIRMAN.—Ask the question.

*By Mr. Crocket:*

Q. Would not the reference to the tender in the contract be to the tender upon which the contract was based?—A. No, sir. It would, to my mind, refer to the original tender, because the order in council says that by special arrangements, or words to such effect, the company agree to do the work at 39½ cents that we speak of.

Mr. CROCKET.—That is a matter of law.

The CHAIRMAN.—The witness cannot give you any opinion upon that.

*By Mr. Daniel:*

Q. Does not the contract include only the terms of the tender on which it is based?—A. The terms of the order in council.

Q. Does not the original and signed contract include only the figures upon what the contract is based?—A. Yes.

Q. Well, then, that is all we want.

*By Mr. Carvell:*

Q. We have so much additional material here now that I want to get this straightened out. Can you tell me, Mr. Lafleur, what this document is (document handed to witness)?—A. This is a specification and tender for dredging the western side of the harbour of St. John at and near the Beacon Bar.

Q. What is the second part of it?—A. Specification and tender for dredging Beacon Bar and Courtenay Bay.

Q. Now attached to that is what?—A. The indenture.

Q. That is the contract between?—A. The contract.

Q. Between whom?—A. The Maritime Dredging and Construction Company and the Department of Public Works.

Q. Then these three documents make the contract?—A. Yes, the other is the indenture or contract.

Q. There is the indenture or contract itself, under which they agree in the first place to do the work on the western side of the harbour according to the specification which provide for what?—A. For dredging the western side of the harbour of St. John.

Q. At what price?—A. At \$4.90 for rock blasted or boulders exceeding two cubic yards, scow measurement, towed to the dumping ground. All other material 39½ cents per cubic yard, scow measurement, towed to dumping ground. Rock blasted or boulders exceeding 2 cubic yards \$3 per cubic yard, bucket measurement, cast over 20 feet from cut. All other materials 30 cents per cubic yard, bucket measurement, cast over 20 feet from cut.

Q. Now that is the contract for the western side of the harbour?—A. For the western side of the harbour.

Q. For ordinary work 39½ cents?—A. Yes.

Q. Now, I want to read to you a clause of the contract which is as follows:—  
(Reads):

And it is specifically understood and agreed that the said contractors hereby bind themselves, their heirs or successors, to perform the work of dredging at Courtenay Bay, at the prices named in their tender, before or upon completion of

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the work upon the western side of the harbour of St. John—and also upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the said harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay Bay, or to give them the work.

That clause provides then that the government may compel the company to carry out the Courtenay Bay work, but the company had no right to demand from the government the right to do the work, is that right?—A. That is correct.

Q. Now if the government do compel them to carry out the Courtenay Bay work then, according to this contract, what price do they get for it?

MR. DANIEL.—Read the contract?

MR. CARVELL.—I am referring to the tender which is part of the contract.

MR. CROCKET.—Does it refer to the tender upon which the contract was based or to the one upon which it was not based?—A. (Reads):—

## MARITIME DREDGING AND CONSTRUCTION COMPANY.

We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery, and to execute and perform dredging in the following mentioned rivers and harbours and their approaches in the province of New Brunswick:—

Beacon Bar 50 cents per cubic yard—

Courtenay Bay, 35 cents per cubic yard if dredging is done by dipper or clam shell dredge—25 cents per cubic yard if dredging is done by suction dredge and the dredged material used for filling proposed breakwater and revetment wall—

and in strict accordance with the following specification and conditions, for the following prices per cubic yard, scow measurement:—

Rock (blasted) or boulders exceeding 2 cubic yards. Five dollars per cubic yard, scow measurement, towed to dumping ground.

All other materials thirty-five cents per cubic yard, scow measurement, towed to dumping ground.

Rock (blasted) or boulders exceeding 2 cubic yards, five dollars per cubic yard, bucket measurement, cast over, 20 feet from cut.

All other materials thirty-five cents per cubic yard, bucket measurement, cast over, 20 feet from cut.

Q. Now, according to that contract, if the company is called upon to perform the Courtenay Bay work what price do they get for it?—A. 35 cents and 25 cents.

MR. DANIEL.—Read the other one—I think it is hardly worth while going over it, the thing is plain enough.

## DEPARTMENT OF PUBLIC WORKS—SPECIFICATION AND TENDER FOR DREDGING.

We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery, and to execute and perform dredging in the following mentioned rivers and harbours and their approaches in the province of New Brunswick, the western side of the Harbour of St. John, at and near the Beacon Bar, and in strict accordance with the form of contract and the following specification and conditions, for the following prices per cubic yard, scow measurement:—

Rock (blasted) or boulders exceeding 2 cubic yards, (\$4.90) four dollars and ninety cents per cubic yard, scow measurement, towed to dumping ground.

All other materials (39½ cents) thirty-nine and a half cents per cubic yard, scow measurement, towed to dumping ground.



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Rock (blasted) or boulders exceeding 2 cubic yards, (\$3) three dollars per cubic yard, bucket measurement, cast over, 20 feet from cut.

All other materials (30 cents) thirty cents per cubic yard, bucket measurement, cast over, 20 feet from cut.

We agree that the first two above mentioned prices will include towing a distance not exceeding three miles to the dumping ground, and to accept one cent per cubic yard additional for every additional mile of tow that may be ordered, except in tidal waters when the additional price will be two cents per cubic yard.

We agree to work in accordance with the written instructions given us from time to time by the chief engineer of the Department of Public Works or his representative, resident engineer, and to deposit all materials dredged out in such places and in such a manner as may be indicated in writing by the chief engineer or by the engineer acting under his instructions.

We agree that the plant supplied shall be thoroughly examined by an officer of the Department of Public Works, and that if it be found of an inferior description or deemed unfit to perform the work required, then on receipt of notice in writing from the chief engineer we will, within one week, supply such other plant as shall be approved of by the chief engineer, and in the event of failure or refusal on our part to do so, the department shall have the power to terminate the contract.

We declare we have, on the date of filing of this tender, the following named plant duly registered in Canada for the performance of the works tendered for:—

Name of dredges *Saugus* and *Iroquis*, tugs, *Colluna*, *Lord Roberts*, *Lord Kitcheney*, *Lord Walseley*, scows 12.

We agree that the plant supplied shall be manned with efficient officers and men, and furnished with a proper outfit for the working and maintenance of the same. No alien labour to be employed.

We agree to provide and keep lighted proper ship lights on the dredge, tugs, scows, platform, &c., during the night, and to be liable for all wharfage and dockage of the plant, or any part of it, and responsible for damage done to piers or to shipping through the negligence or inattention of ourselves, agents or servants.

We agree that the Department of Public Works shall not in any way be held liable for any expense connected with towing the plant, or any part of it, to or from the localities where dredging is to be performed, or for any loss or damage during storms, fire, collision or otherwise, either in transit to and from such localities, or during the period the plant is employed by the department, nor for any delays or accidents which may be due to other works being carried on concurrently in the locality or localities either by the department or corporations or individuals, or by shipping.

We agree that any dredge intended to be employed on this work must be duly registered in Canada at the time of the filing of this tender with the department.

We agree that the department will in no way be bound to make any allowance for dredging to a greater depth than one foot beyond the depth which may be ordered to be made, nor for a greater width than that which may also be ordered to be made.

We agree to begin work within twenty days after the date we have been notified of the acceptance of our tender.

We agree that in tendering for the work herein contemplated, we will be bound to pay to the workmen engaged on the said work, such wages as are generally accepted as current in each trade for competent workmen in the district where the work is carried out, and that we, after having signed the contract, will be held and bound to conform ourselves to the wording and spirit of this clause.

We hereby certify that we have visited and examined the site of the proposed work, or have caused it to be visited and examined by a competent person on our behalf, and have made all inquiries relative to the kinds of materials to be removed.

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Payments to the contractor entrusted with the work will be made every month on the certificate of the chief engineer, who shall be the sole judge as to the quantity and value of the work performed up to the time of each payment.

We herewith inclose an accepted bank cheque, payable to the order of the Honourable the Minister of Public Works, for the sum of            dollars as security deposit in connection with the dredging we offer to perform in the province of

Intending contractors will please note that separate tenders will have to be made for works in each province of the Dominion, and that each of these tenders must be accompanied by an accepted bank cheque for            dollars            as above stated.

The cheque or cheques will be returned if the tender or tenders are not accepted.

NOTE.—It must be distinctly understood that the department does not bind itself to continue the work at the prices quoted after the close of navigation this coming fall or after the close of the present fiscal year, in cases when the navigation is open all the year, nor after the appropriation granted for this work is exhausted; but we agree that the department will have the power and the right to, at any time call upon us to continue for one or more ensuing seasons, the dredging which may be awarded to us under this tender and at the prices herein quoted.

Although receiving this tender in the manner and with the conditions set forth above, the department of Public Works reserves the right of executing the work with the dredging plant of the department and of not accepting the lowest or any tender.

EUGENE D. LAFLEUR,  
*Chief Engineer.*

DEPARTMENT OF PUBLIC WORKS, OTTAWA.

Envelopes containing this tender are to be endorsed 'Tender for Dredging at Western of St. John Harbour in the province of New Brunswick,' and addressed to the Secretary of the Department of Public Works, Ottawa.

All blanks are to be properly filled, and signatures of the persons tendering must be in their respective handwriting.

Signatures, occupations and post office addresses of parties tendering.

In the case of firms the actual signature, the nature of the occupation and place of residence of each member of the firm must be filled in.

MARITIME DREDGING AND CONSTRUCTION CO.,

(Sgd.) JOHN E. MOORE,  
*Manager.*

(Sgd.) J. B. HUNTER,  
*Deputy Minister of Public Works.*

(Sgd.) NAP. TESSIER,  
*Secretary.*

Signed by the Contractors in the presence of,

(Sgd.) J. K. SCAMMELL,  
*District Engineer.*

Signed by the Deputy Minister and Secretary of the Department of Public Works in the presence of,

(Sgd.) J. A. CHASSE.

Dated at St. John, N.B., this tenth day of May, 1909.

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## DEPARTMENT OF PUBLIC WORKS SPECIFICATION AND TENDER FOR DREDGING.

*Maritime Dredging and Construction Company,—*

We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery, and to execute and perform dredging in the following mentioned rivers and harbours and their approaches in the province of New Brunswick: Courtenay bay, 35 cents per cubic yard if dredging is done by dipper or clam shell dredge; 25 cents per cubic yard if dredging is done by suction dredge, and the dredged material used for filling proposed breakwater and revetment wall; Beacon bar, 50 cents per cubic yard; and in strict accordance with the form of contract and the following specification and conditions, for the following prices per cubic yard, scow measurement:—

Rock (blasted) or boulders exceeding 2 cubic yards, five dollars per cubic yard, scow measurement, towed to dumping ground.

All other materials thirty-five cents per cubic yard, scow measurement, towed to dumping ground.

Rock (blasted) or boulders exceeding 2 cubic yards, five dollars per cubic yard, bucket measurement, cast over, 20 feet from cut.

All other materials, thirty-five cents per cubic yard, bucket measurement, cast over, 20 feet from cut.

We agree that the first two above mentioned prices will include towing a distance not exceeding three miles to the dumping ground, and to accept one cent per cubic yard additional for every additional mile of tow that may be ordered, except in tidal waters, when the additional price will be two cents per cubic yard.

We agree to work in accordance with the written instructions given us from time to time by the chief engineer of the Public Works Department, or his representative resident engineer, and to deposit all materials dredged out in such places and in such a manner as may be indicated in writing by the chief engineer or by the engineer acting under his instructions.

We agree that the plant supplied shall be thoroughly examined by an officer of the Department of Public Works, and that if it be found of an inferior description or deemed unfit to perform the work required, then on receipt of notice in writing from the chief engineer, we will, within one week, supply such other plant as shall be approved of by the chief engineer, and in the event of failure or refusal on our part to do so, the department shall have the power to terminate the contract.

We declare that we have, on the date of filing this tender, the following named plant, duly registered in Canada, for the performance of the works tendered for:—

Name of dredges: *Saugus* and *Iroquois*; capacity per hour, 300 cubic yards.

Tugs: *Calluna*, *Lord Roberts*, *Lord Kitchener*, *Lord Wolseley*. 12 scows.

We agree that the plant supplied shall be manned with efficient officers and men, and furnished with a proper outfit for the working and maintenance of the same. No alien labour to be employed.

We agree to provide and keep lighted proper ship lights on the dredge, tugs, scows, platforms, &c., during the night, and to be liable for all wharfage and dockage of the plant, or any part of it, and responsible for damage done to piers or to shipping through the negligence or inattention of ourselves, agents or servants.

We agree that the Department of Public Works shall not in any way be held liable for any expense connected with towing the plant, or any part of it, to or from the localities where dredging is to be performed, or for any loss or damage during storms, fire, collision or otherwise, either in transit to and from such localities, or during the period the plant is employed by the department, nor for any



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delays or accidents which may be due to other works being carried on concurrently in the locality or localities, either by the department, or corporations, or individuals, or by shipping.

We agree that any dredge intended to be employed on this work must be duly registered in Canada at the time of the filing of this tender with the department.

We agree that the department will in no way be bound to make any allowance for dredging to a greater depth than one foot beyond the depth which may be ordered to be made, nor for a greater width than that which may also be ordered to be made.

We agree to begin work within twenty days after the date we have been notified of the acceptance of our tender.

We agree that in tendering for the work herein contemplated, we will be bound to pay to the workmen engaged on the said work, such wages as are generally accepted as current in each trade for competent workmen in the district where the work is carried out, and that we, after having signed the contract, will be held and bound to conform ourselves to the wording and spirit of this clause.

We hereby certify that we have visited and examined the site of the proposed work, or have caused it to be visited and examined by a competent person on our behalf, and have made all inquiries relative to the kinds of materials to be removed.

Payments to the contractor entrusted with the work will be made every month on the certificate of the chief engineer, who shall be the sole judge as to the quantity and value of the work performed up to the time of each payment.

We herewith inclose an accepted bank cheque, payable to the order of the Honourable the Minister of Public Works, for the sum of \_\_\_\_\_ dollars as security deposit in connection with the dredging we offer to perform in the province of \_\_\_\_\_

Intending contractors will please note that separate tenders will have to be made for works in each province of the Dominion, and that each of these tenders must be accompanied by an accepted bank cheque for \_\_\_\_\_ dollars as above stated.

The cheque or cheques will be returned if the tender or tenders are not accepted.

NOTE.—It must be distinctly understood that the department does not bind itself to continue the work at the prices quoted after the close of navigation this coming fall or after the close of the present fiscal year, in cases when the navigation is open all the year, nor after the appropriation granted for this work is exhausted; but we agree that the department will have the power and the right to, at any time call upon us to continue for one or more ensuing seasons, the dredging which may be awarded to us under this tender and at the prices herein quoted.

Although receiving this tender in the manner and with the conditions set forth above, the Department of Public Works reserves the right of executing the work with the dredging plant of the department and of not accepting the lowest or any tender.

EUGENE D. LAFLEUR,

*Chief Engineer.*

DEPARTMENT OF PUBLIC WORKS,  
Ottawa.

Envelopes containing this tender are to be endorsed 'Tender for Dredging at St. John, N.B., in the province of New Brunswick; and addressed to the Secretary of the Department of Public Works, Ottawa.

All plans are to be properly filled, and signatures of the persons tendering must be in their respective handwriting.

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Signatures, occupations and post office addresses of parties tendering.

In the case of firms the actual signature, the nature of the occupation and place of residence of each member of the firm must be filled in.

Dated at St. John, N.B., this 3rd day of October, 1908.

MARITIME DREDGING AND CONSTRUCTION COMPANY,

(Sgd.) JOHN E. MOORE,

*Manager.*

August 27, 1909.

Signed by the Deputy Minister and Secretary of the Department of Public Works in the presence of.

(Sgd.) J. A. CHASSE.

MARITIME DREDGING AND CONSTRUCTION CO.,

(Sgd.) JOHN E. MOORE,

*Manager.*

(Sgd.) J. B. HUNTER,

*Deputy Minister of Public Works.*

(Sgd.) NAP. TESSIER,

*Secretary.*

Witness: (Sgd.) J. K. SCAMMELL,

*District Engineer.*

Whereas tenders were called for by public advertisement and the Maritime Dredging and Construction Company have offered the Department of Public Works, to perform the work of dredging upon the western side of the harbour of St. John, New Brunswick, at and near the Beacon bar, at the following prices, namely:

Four dollars and ninety cents (\$4.90) for rock or boulders exceeding two cubic yards; and thirty-nine and a half (39½) cents for all other materials scow measurement;

Three dollars (\$3) for rock or boulders exceeding two cubic yards; and thirty (30) cents for all other materials cast over, and to oblige themselves to perform the work of dredging at Courtenay bay at the price named in their tender before or upon completion of the work upon the western side of the harbour and upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the harbour shall not be deemed to create any obligation upon the part of the government to proceed with the dredging of Courtenay bay or to give them the work;

And whereas an order in council has been passed on the 16th day of February A.D. 1909, granting authority to enter into an agreement with the said Maritime Dredging and Construction Company to perform the dredging required upon the western side of the said harbour of St. John, New Brunswick, at and near Beacon bar, at the prices above-mentioned, to the amount of the balance of the appropriation now available for that purpose, and to such further amount as parliament may allow from time to time;

Now this indenture, made in duplicate this tenth day of the month of May in the year of our Lord one thousand nine hundred and nine;

Between the Maritime Dredging and Construction Company, having their chief place of business at the city of St. John, in the province of New Brunswick, Dominion of Canada, represented herein by John E. Moore, manager of the same, hereinafter called 'the Contractors,'

Of the first part;

And His Majesty King Edward the Seventh, represented herein by the Minister for the Public Works of Canada,

Of the second part.

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Witnesseth that the Contractors for themselves and their, and each of their heirs, executors, administrators and assigns hereby contract and agree with His Majesty, His Heirs and Successors for and in consideration of the covenants, conditions and agreements hereinafter mentioned, to find all necessary dredge, tugs, labour, material, dredging equipment, machinery, vessels, scows, plant, tools, implements and all contingencies whatsoever, and to perform, complete and finish in every respect, to the satisfaction of the said minister in a good and workmanlike manner, agreeably to the true intent and meaning of the specification hereto annexed, and marked "A," forming part of these presents, and to extent and in the situation described, or as may hereafter be directed by the engineer or officer in charge of the work, in the depths of water as shown on the plan or plans prepared for the purposes of the present contract and also forming part thereof.

All the works required to deepen, dredge out and clear wholly and entirely of all obstacles and materials whatsoever the western side of the harbour of St. John, New Brunswick, at and near the Beacon Bar,—and at such place or places and in such direction as may be indicated by the engineer in charge of the work, and to such depths and widths as the engineer in charge may at any time direct or require.

And that the said contractors shall perform the dredging herein contemplated in a complete and satisfactory manner and so as to dredge as many cubic yards of mud, sand clay, clay and sand, clay and boulders, gravel, hard pan or rock, as the case may be, measured on the scow, per day as may reasonably be expected, with a dredge capable of removing at least 200 yards of ordinary excavation per hour and with proper tug and scows properly manned, furnished with fit fuel and perfectly effective in all respects to allowance being asked for or made for the cost and charges of bringing the plant to the work or for removing it from the same.

And for the purposes aforesaid, the contractors shall work during all the working days continually 10 hours per day, but not more than 12 hours per day, unless the permission of the engineer in charge of the work be given in writing for the prolongation of the hours of work which permission shall be given only in case the work proceeds to his satisfaction;

And that no charges shall be made by the said contractors or allowed to them for any time lost or for any damage or loss of the plant from fire, storms or any other cause whatsoever;

And that the contractors shall deposit the mud and material so dredged out at such place or places as may be indicated by the officer in charge of the works;

And that the said contractors shall commence the work immediately after the present agreement shall have been signed, and shall vigorously and regularly carry on and prosecute the said works and shall provide all the towage incident to the removal from any locality to another, when required and necessary, and that the said agreement may be ended and terminated upon three months' notice being given to the said contractors after the expiration of five years to be computed from the date of the signature of these presents;

In consideration whereof, His Majesty represented as aforesaid, doth hereby promise and agree to pay the said contractors or to their heirs, assigns or lawful representative for the actual amount of dredging performed by the contractors (no allowance being made for the time lost or for cost of taking the plant and machinery to the work) and removing the same on completion of work the following rates and prices, namely:

1. For rock (blasted) or boulders exceeding 2 cubic yards, at the rate of (\$4.90) four dollars and ninety cents per cubic yard, scow measurement, towed to dumping ground,

2. For rock (blasted) or boulders exceeding 2 cubic yards, at the rate of (\$3) three dollars per cubic yard, bucket measurement, cast over, 20 feet from cut,

All other materials at the rate of (30 cents) thirty cents per cubic yard, bucket measurement, cast over 20 feet from cut—the payments calculated on



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the rate hereinbefore determined to be made monthly, if practicable, on the written certificate of the engineer or officer in charge, stating the number of cubic yards of the material dredged out and measured on scow, and deposited where directed, during the period then ended, and that the work has been performed to his satisfaction; but, nevertheless, it shall be lawful for His Majesty to withhold from the contractors and retain ten per cent of the several estimates until the entire completion of the said works and acceptance of same by His Majesty, which percentage so retained shall have delivered his final estimate.

It is also understood and agreed that if, by the report of the officer in charge it shall appear that the rate of progress of work is not as such as to ensure its completion within a reasonable time or in case of breach of any of its conditions and stipulations herein contained, His Majesty shall have the power, without process or suit at law, to take the work, or any part thereof, out of the hands of said contractors and to relet the same to any other contractor or contractors without its being previously advertised, or to employ additional or other dredging machines, equipment, workmen and other necessary means and things at the expense of the contractors, and in either case the contractors shall be liable for all damages, extra costs and expenditure which may be incurred by reason thereof and shall likewise forfeit all moneys then due under this contract.

The contractors shall give due assistance as may be required for the purpose of enabling the said engineer or the officer in charge of the works to ascertain the quantity of material dredged out and the number of days actually employed in the work in order to make true and correct estimates and statements.

Should any difference of opinion arise as to the construction to be put upon any of the conditions of this contract, the same shall be determined by the said engineer alone, and such determination shall be final and conclusive and binding upon the parties of this contract, and every one of them.

Proviso, The said contractors further agree and hereby bind themselves to pay to the workmen engaged in the said work, such wages as are generally accepted as current in each trade, for competent workmen in the district where the works are to be carried out.

That in the event of the said contractors making default in the payment of the salaries of wages of any foreman, workman or labourer employed by them on the said works, or in paying for any materials delivered on the site or used, or to be used, in the construction of the works herein contracted for, and whether or not a claim therefor is filed in the office of the minister, representing His Majesty, as aforesaid, then and so often as the same shall happen, it is expressly covenanted and agreed that His Majesty shall have the full right to employ and utilize not only any amount or amounts due to said contractors under this contract, but also the security cheque deposited with His Majesty, together with any interest which may have accrued thereon for paying any salaries or wages or any accounts for materials, that may be left unpaid by the said contractors.

Time shall be deemed to be of the essence of this contract.

And it is specifically understood and agreed that the said contractors hereby bind themselves, their heirs and successors, to perform the work of dredging at Courtenay bay, at the prices named in their tender, before or upon the completion of the work upon the western side of the harbour of St. John,—and also upon the distinct understanding that the acceptance of their offer for dredging work upon the western side of the said harbour shall not be deemed to create any obligation on the part of the government to proceed with the dredging of Courtenay bay, or to give them the work.

The department reserves the right to make use of any of the material which may be removed under this contract for filling to any line and elevation that may be required by the engineer in charge where such dredged material, by rehandling,

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can be so used; and provided a price for such rehandling and filling satisfactory to the department can be arranged with the contractors.

This contract is hereby pursuant to the provisions of the 18th section of the statute 6-7 Edward VII. (1906), chapter 10, R.S.C., made subject to the express condition that no member of the House of Commons of Canada shall be admitted to any share or part of such contract, or to any benefit to arise therefrom.

In witness whereof the contractors have signed and sealed these presents, and the said minister, acting as aforesaid, hath signed his name and caused the seal of the Department of Public Works to be hereunto affixed, and the secretary, for the said department, hath countersigned the same.

Signed sealed and delivered	} MARITIME DREDGING AND CON-	
by the contractors in the		STRUCTION CO.,
presence of:		(Signed) JOHN E. MOORE, <i>Manager.</i>
(Signed) J. K. SCAMMELL,		
<i>District Engineer.</i>		

Signed, sealed and delivered	} (Signed) J. B. HUNTER,	
by the Deputy Minister		<i>Deputy Minister of Public Works.</i>
and Secretary of the De-		(Signed) NAP. TESSIER,
partment of Public Works	} <i>Secretary.</i>	
in the presence of:		
(Signed) J. A. CHASSÉ.		

*By Mr. Daniel:*

Q. Now I want, for a minute to speak to you about the dredging in the centre part of St. John harbour, you remember there is a place down there called York Point slip?—A. Yes, sir.

Q. And the Maritime Dredging and Construction Company have done some work down there?—A. Yes.

Q. How much was the amount? How much did it come to, \$8,225.10?—A. Well, I have not the amount here, so I will take it for granted.

Q. You can see it, it is shown here in the Auditor General's return.—A. \$8,225.10.

Q. That work was done by the Maritime Dredging and Construction Company?—A. Yes.

Q. Was the work done under tender or not?—A. Under tender, sir.

Q. By tender? How much work was done before tenders were called for?—A. I could not tell you really, because I am not prepared on this subject.

Q. We will try and get at it gradually, perhaps you will read this telegram.—A. (Reads).

THE GREAT NORTHWESTERN TELEGRAPH COMPANY OF CANADA.

ST. JOHN, N.B., 28th October, 1908.

J. B. HUNTER,  
Deputy Public Works,  
Ottawa, Ont.

Department Railways very anxious to have dredging done immediately at I.C.R., York Point and I. C. R. Ballast wharf here. Kindly advertise for tenders and meantime authorize Maritime Dredging and Construction Company to proceed with work on agreement to accept price of lowest accepted tender. Also have company notified that they may withdraw dredges from Gaspereau and Maquapit as season getting late and cannot work longer this fall.

(Sgd.) WILLIAM PUGSLEY.

Q. That is a letter to you, I believe?—A. No, sir, that is addressed to Mr. J. B. Hunter, the Deputy Minister.

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Q. This is a letter from the minister to the deputy minister to send an order to the Maritime Dredging and Construction Company to remove their dredge from Maquapit lake and go down to the harbour of St. John and do some dredging at York Point Slip on the understanding—just read that over again, on what terms?—A. This is a telegram, not a letter.

Q. Just read the part relating to the terms on which the dredging is to be done. A. (Reads) 'Kindly advertise for tenders and meantime authorize Maritime Dredging and Construction Company to proceed with work on agreement to accept price of lowest accepted tender.'

*By Mr. Daniel:*

Turn to page 263, the very next page, I think, what do you find there?—A. A telegram from the chief engineer's office, Public Works Department, dated Ottawa, October, 28th, 1908.

Q. Will you read it slowly and carefully please?—A. (Reads).

#### TELEGRAM FROM CHIEF ENGINEER'S OFFICE.

PUBLIC WORKS DEPARTMENT.

J. K. SCAMMELL

OTTAWA, October 28, 1908.

Resident Engineer,  
St. John, N.B.

Notify Maritime Dredging and Construction Company that they may withdraw dredge from Maquapit and arrange with them to perform dredging required at I.C.R. York Point and I.C.R. ballast wharf St. John, on condition that they accept price of lowest accepted tender for which we are about to advertise.

(Sgd.) EUGENE D. LAFLEUR,  
*Chief Engineer.*

(Chg. P.W.D.)

(G.N.W. Tel.)

C.N.

Q. This is carrying out the minister's orders running through the regular channel—first the deputy minister, then through you and from you down to the resident engineer at St. John and he directs the construction?—A. Yes, sir.

Q. Now turn to page 267. What do you find there?—A. (Reads.)

CANADIAN PACIFIC RAILWAY COMPANY'S TELEGRAPH.

28 ra rf md 38—2 exa—

St. JOHN, N.B., 3rd November, 1908.

E. D. LAFLEUR,  
Ottawa.

Maritime Dredging and Contrsuction Co., have withdraw dredge from Maquapit they have agreed to perform dredging at York Point and ballast wharf St. John at price of lowest accepted tender for which you are about to advertise.

(Sgd.) J. K. SCAMMELL,  
*Resident Engineer.*

9.50 a.m.  
C.N.

Q. Who is that signed by?—A. J. K. Scammell, resident engineer.

Q. What is the date of it?—A. Third November, 1908.

Q. So that by the 3rd of November, 1908, the Maritime Dredging and Construction Company had left Maquapit?—A. Yes, sir.

Q. And gone to St. John? Now is this the usual method of doing work, that a construction or dredging company should be put to work on the understanding that tenders would be asked for, but that no matter who tendered they should retain it at the offer of the lowest tenderer?—A. No, sir. That is only very exceptional.



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Q. How exceptional is it?—A. Well, whenever circumstances arise that render dredging imperative at a certain point, and when we know that certain dredges have not much to do, then we award them the contract in that way.

Q. Do you think it is treating men, who are offering to do public work, in an honest way?—A. No, I think it is a businesslike way of doing work at any rate.

Q. A businesslike way?—A. Yes, for if to our knowledge all other dredges have work and if we know that a dredge has no work to perform, it is natural that we ask them to do the work and then we call for tenders.

Q. But what is the good under these circumstances of calling for tenders if you know there are no dredges to do the work?—A. Well, some others might tender also. We always run the chance of getting tenders at any rate.

*By Mr. Crocket:*

Q. But they could not get the contract because it has already been awarded to others?—A. It has not been awarded because there had been no tenders received. Consequently the contract cannot be awarded before the tender is received.

*By Mr. Dainel:*

Q. Turn to page 269—

*By Mr. Middlebro:*

Q. Did you ever have a case where a contractor for such work had to quit the work and let another in?—A. That I cannot remember.

*By Mr. Crocket:*

Q. This is a recent introduction into the department I suppose?—A. Well it has been—

*By Mr. Daniel:*

Q. On what other occasions has this been done, speaking from memory?—A. Just from memory I think the Gaspereau river is one.

Q. The Gaspereau river and then—A. The Gaspereau is one of the cases.

Q. Now turn to page 269 and what do you find there, do you find an advertisement?—A. Yes, sir.

Q. You need not give the whole advertisement but mention the date?—A. Ottawa, November 27th, 1908.

Q. It calls for tenders and until when were they to be received?—A. Until Friday, December 10th at four p.m.

Q. That means that it took them some three weeks?—A. Just about.

Q. And those tenders were not called for until the Maritime Dredging and Construction Company had been at work for how long?—A. Well some time in the first week of November, I suppose they left Maquapit bay on 3rd November.

*By Mr. Carvell:*

Q. Do you know that was the time or are you only surmising it?—A. I imagine that from this correspondence. It is a copy of the correspondence which has been produced.

MR. CARVELL.—You will find as a matter of fact that they did not get to work for a month after that.

MR. DANIEL.—As a matter of fact they did, and I am giving you the evidence of it.

MR. CARVELL.—I will be very glad.

*By Mr. Daniel:*

Q. You cannot be expected, of course, to remember all these things but turn up and see the first bill they sent in for work at York Point? I think that will convince the honourable member for Carleton as to the time when the work was commenced. So that taking the advertisements and the time at which the tenders were to be filed the Maritime Dredging and Construction Company had been about six weeks at this work; is not that true?—A. No, I do not think so, sir.

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Q. In order to show Mr. Carvell the time this company had been at work just read that Bill please (handing document to witness).—A. (Reads.) Department of Public Works, York Point slip, St. John harbour, N.B., debtor to Maritime Dredging and Construction Company, St. John, N.B., November 30, 1908. For services of dredge, tug and scow working on York Point slip, St. John, N.B., from the 14th to 30th November, 1908, inclusive, &c.,

Q. Never mind the rest, that bill shows that they were at work on the 14th November?—A. Yes, sir.

Q. How long is it from the 14th day of November to the 18th day of December?—A. One month.

Q. So they were engaged there on this work for a month steadily before tenders were obtained?—A. Yes, sir.

Q. Well now, were there any persons other than the Maritime Dredging and Construction Company attempted to get that work after advertisements came in—I will help your memory as much as I can, turn to page 270, and what do you find there?—A. —A. A letter from G. S. Mayes.

Q. You have heard of him before?—A. Yes.

Q. Will you please read that letter?—A. (Reads.)

ST. JOHN, N.B., December 4, 1908.

NAPOLEON TESSIER, Esq.,

Secretary, Department of Public Works,  
Ottawa.

DEAR SIR,—Will you kindly send me copy of specification and form of tender for dredging at York Point and Ballast Wharf, St. John; also please give me information as to depth to which dredging is to be done, and if it is to be done through the winter months.

The dredge *Saugus*, of John E. Moore, has been digging at the York Point site for the past three weeks. Is the dredging to be done under the tenders called for simultaneously with that of the dredge *Saugus*, or is the latter dredge to be taken off the site.

Awaiting a reply, which please let me have by the 10th inst., so that I may have time to prepare and forward a tender.

I remain, yours truly,

(Sgd) G. S. MAYES.

Q. Is there any note down at the bottom of that?—A. (Reads):—

'Specification and ad. slip sent. As for information asked for not contained in specification, if it is to be given the Chf. Engr. will supply it. (Sgd) L. H. Colman.'

Q. That would imply that sometimes information of that kind is not given, and in this case it was not given?—A. In this case it was not given.

Q. And the information he got from you or Mr. Colman was this advertisement slip which he had already seen in the newspapers down there, and the form of specification, that is all. He was not very well satisfied with that, so he wrote again, look at page 275 of the return.—A. (Reads):

ST. JOHN, N.B., December, 11, 1908. •

EUGENE D. LAFLEUR, Esq.,

Chief Engineer, Public Works Department, Ottawa.

DEAR SIR,—Some few days since, I wrote Mr. Tessier, asking for some forms of tender and information concerning dredging at York Point and Ballast wharf, St. John. I have received forms of tender, but no information. The tenders state that they are to be received at Ottawa on the 18th instant, so that time is short.

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I stated to Mr. Tessier that Mr. Moore's dredge *Saugus* had been dredging some three weeks at York Point (she is still dredging there), and I asked him if this dredge was to be removed from this place now or when, as the work would soon be done, and yet your department was asking tenders for it. The above dredge was digging two days outside at the Ballast wharf.

Will you kindly inform me what this means, and also please supply me with information as to the depths to be dug, and the approximate quantities.

Your truly,

(Sgd) G. S. MAYES.

Q. What was the result of that letter, did you reply to him?—A. (Reads):

YORK POINT BALLAST WHARF.

DECEMBER 14, 1908.

SIR,—I have to acknowledge the receipt of your letter of the 11th inst., asking for information regarding dredging at York Point and Ballast wharf, St. John, N.B., for which tenders are now called. In reply I would ask you to communicate with Mr. J. K. Scammell, the engineer in charge, who will give you all available information.

Yours obediently,

(Sgd.) EUGENE D. LAFLEUR,

Chief Engineer.

G. S. MAYES,

Contractor,

St. John, N.B.

Q. That is from you to G. S. Mayes?—A. To G. S. Mayes, yes.

Q. Knowing, as you did, that Mayes could not possibly get that work, that the Maritime Dredging and Construction Company had been put on that work on the understanding that they were to get the work at the price of the lowest tenderer, do you think that was an ingenuous answer on your part to a man offering to do public work?—A. Certainly, I referred him to Mr. Scammell in regard to what he asked me.

Q. You referred him to Mr. Scammell, the resident engineer?—A. Naturally I would, because Mr. Scammell would give him more information than I had in my office.

Q. Did you not know that he could not have the work?—A. No, I did not know.

Q. And he knew that this man could not get the work?—A. I knew nothing of the kind.

Q. Then turn back to page 263 of the Return, what is that?—A. That is a telegram from myself to J. K. Scammell.

Q. Stating that the Maritime Dredging and Construction Company were to do the work. Just read that.—A. (Reads):

Telegram from the Chief Engineer's Office,

Public Works Department,

OTTAWA, October 28, 1908.

J. K. SCAMMELL,

Resident Engineer,

St. John, N.B.

Notify Maritime Dredging and Construction Company that they may withdraw dredge from Maquapit and arrange with them to perform dredging required at I.C.R. York Point and I.C.R. Ballast wharf, St. John, on condition that they accept price of lowest accepted tender for which we are about to advertise.

(Sgd.) EUGENE D. LAFLEUR,

Chief Engineer.

They were to get the work on conditions that they accepted the price of the lowest accepted tender which they did accept.



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Q. Now look at page 297, you might read that letter?—A. (Reads):

ST. JOHN, N.B., December 18, 1908.

EUGENE D. LAFLEUR, Esq.,  
Chief Engineer, Department of Public Works,  
Ottawa.

DEAR SIR,—Your favour of 14th inst. received last evening. I called with my son on Mr. Scammell this morning, who you stated would give all information regarding the dredging of York Point and Ballast wharf, St. John. Mr. Scammell informed me that he had not one bit of information to give, that others had inquired and he had given the same answer, I asked him if he was aware that York Point work was being dredged by Mr. Moore's dredge *Saugus*, for some weeks, and was being dredged this very day and that outside talk said that it was about finished; also that the same dredge had worked some few days on the Ballast wharf work, at the same time the newspapers contained advertisements asking for tenders which close to-day. Mr. Scammell said that he was quite aware of it but did not understand it. Of course it is perfectly useless for one to tender as it is quite evident that the work was and is intended for Messrs. Moore & Co: It would seem to the ordinary mind that the government might save the expense of advertising.

I regret that you and your officials could not give me the information asked for.

Yours truly,  
(Sgd.) G. S. MAYES.

Q. Well, now, look at page 284 and read the letter from Mr. Moore tendering for the work, which will show also that the work was practically completed when he put in his tender?—A. (Reads):

ST. JOHN, N.B., December 17, 1908.

NAPOLEON TESSIER, Esq.,  
Secretary, Department of Public Works,  
Ottawa, Ont.

DEAR SIR,—We herewith inclose our tender for dredging at York Point Slip, St. John, N.B., duly executed by us. We are not inclosing any deposit cheque, as we have this work about completed, and we already have a number of deposits on all the other work which has been awarded to us.

We shall be glad to be advised promptly if our tender is accepted.

Yours faithfully,  
(Sgd.) MARITIME DREDGING AND CONSTRUCTION CO.

JOHN E. MOORE,  
*Manager.*

Q. They state there that the work was practically completed before the tender was put in. How much did he offer to do the work for? What was the price? 90 cents per yard, was it not?—A. Yes, here is the tender, 90 cents per cubic yard.

Q. Were there any other tenders?—A. No, sir.

Q. Did you expect any more under the circumstances?—A. We always expect more than one tender.

there is a memorandum there from the deputy minister for the minister?—A. (Reads): there is a memorandum there from the deputy minister for the minister?—A. (Reads):

OTTAWA, January 18, 1909.

MEMORANDUM FOR THE CHIEF ENGINEER.

Please let me have your report on York Point dredging tenders at the very

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earliest possible date. As you are aware, the work has been done and the minister is desirous of having payment made immediately.

(Sgd.) J. B. H.  
*Deputy Minister.*

Q. The minister is anxious to have Mr. Moore paid immediately. Now take page 282, a memorandum to the minister, and see what that is?—A. (Reads):—

OTTAWA, December 19, 1908.

## MEMORANDUM FOR THE HON. THE MINISTER.

St. John, N.B., Dredging York Point.

Tenders for above work due Friday, December 18, 1908. One tender received at this office, herewith.

Appropriation St. John

Harbour,—Improvements, repairs and dredging, \$400,000.

(Sgd.) NAP. TESSIER,  
*Secretary.*

M.P.

MR. CARVELL.—I suppose you would not mind putting in the previous correspondence between the deputy minister and the chief engineer, and the certificates as to the reasonableness of prices and all that?

MR. DANIEL.—I have no objection especially, but I would like to see what they are.

MR. CARVELL.—The correspondence is on file.

MR. DANIEL.—I do not want to put in the whole file of papers.

MR. CROCKET.—We will admit the prices were certified as fair and reasonable.

MR. DANIEL.—There is no doubt they were certified as fair and reasonable. Mr. Scammell showed the difficulties there were in dredging at York Point.

MR. CARVELL.—Read the letter just previous to that by the deputy minister to the company when the tenders were received.

MR. DANIEL.—I do not see anything of that kind.

MR. CARVELL.—We will have to go into it another day.

MR. DANIEL.—I think we had better postpone the inquiry as the adjournment hour has arrived but not close it up.

Committee adjourned.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, March 9, 1910.

The Select Standing Committee on Public Accounts met at 11 o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee resumed the consideration of a payment of \$16,050.20 to the Maritime Dredging and Construction Company *re* dredging at St. John Harbour.

MR. EUGENE LAFLEUR, Chief Engineer, Public Works Department, recalled:—

*By Mr. Daniel:*

Q. After the Maritime Dredging and Construction Company had received the contract for this work of dredging in St. John's Harbour at the Dominion Dredging Company's figures was there any protest or not from the Dominion Dredging Company?—A. Not that I am aware of, I do not think there was, not as far as I know.

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Q. You received no communication from them? I would like you to be sure?—

A. I am trying to be sure, but I do not think I have any written protest, at any rate.

Q. Can't you recall to your mind? It appears to me that in such a curious condition of affairs you might remember if there was any protest or communication from the Dominion Dredging Co.?—A. I do not remember, sir.

Q. Have you any correspondence on the matter?—A. Well, if I have it will be with the rest of the correspondence, but I do not think I have.

Q. It would not necessarily be with this correspondence, this is a return to an address of the House of Commons dated the 10th of February, 1909, for a copy of all correspondence in connection with this matter during the year 1908. Now the correspondence, whatever correspondence existed, that I refer to might have taken place in 1909.—A. I certainly do not remember having had any such protest, and if I have such protest certainly I do not remember having received it.

Q. You say you have no correspondence?—A. I may have correspondence in connection with St. John Harbour, but I say I have no recollection of having received a protest.

Q. Can you look over your files, or get somebody to look over them and see if there is any correspondence?—A. Certainly I will do that.

Q. And if you do find any you will let us have it, will you?—A. Certainly.

*By Mr. Crocket:*

Q. Has any correspondence of any kind come under your notice in the department from the Dominion Dredging Company in reference to this contract?—A. To the department, do you mean?

Q. In the department, is there any correspondence in the department?—A. Well, some correspondence may have taken place between other officials and the company.

Q. When you were answering Dr. Daniel I suppose you were referring to correspondence in your own department, to the engineer's department?—A. To my own office.

Q. What I am asking you about now is whether correspondence has not come under your notice from the Dominion Dredging Company in reference to this contract?—A. No, sir.

*By Mr. Daniel:*

Q. Who would be likely to have it supposing it did not come to you, if you did not get it?—A. Either the secretary, or the deputy minister, I suppose, or the minister himself.

Q. Is the deputy minister here?—A. No, sir, I do not see him.

Mr. DANIEL.—I would like to have the deputy minister telephoned for, Mr. Chairman.

Witness discharged.

Mr. J. B. HUNTER, Deputy Minister, Public Works Department, called, sworn and examined:

*By Mr. Daniel:*

Q. You are Deputy Minister of the Department of Public Works?—A. Yes, sir.

Q. And you are acquainted with what has been taking place here in the Public Accounts Committee with regard to the contract for dredging in St. John Harbour?—A. I am pretty well acquainted, yes.

Q. The evidence shows that the Maritime Dredging and Construction Company got the contract for the work there at the Dominion Dredging Company's prices. Was there any protest from the Dominion Dredging Company when the contract was given to the Maritime Dredging and Construction Company?



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Mr. CARVELL.—What do you mean by protest? Would it not be better to ask for the correspondence, Doctor?

Mr. DANIEL.—That is what I am coming to.

A. Well, I had a call from the President of the Dominion Dredging Company who wanted to know whether the Maritime Dredging and Construction Company were working at their prices in St. John Harbour. I told them they were, and he said that he did not see why they (his company) were not given it at the prices they put in their tender. I explained to him that they were not the lowest tenderer, that their price was 39½ cents for the west side and for Courtenay Bay, and that the other people had made a difference in their price between the west side and Courtenay Bay, and that on the whole the Maritime Dredging and Construction Company were lower than they were, and accordingly that company was given the contract, but that instead of allowing them to do the work at the west side at 50 cents the department made them work there at 39½ cents. I said, 'What have you to say to that?' and he said, 'We should have been given an opportunity.' I said, 'I do not think you should, you were not the lowest tenderer,' that is all I heard about it. They did not bother me about it any more.

Q. Was there any correspondence in the matter?—A. No, they never wrote me.

Q. Would there be any correspondence in the matter without your being acquainted with it?—A. He might have written to half a dozen people about it and I would not know anything about that.

Q. That is not what I am asking you. I am asking if there was any official correspondence about the matter whether it would necessarily come before you or not?—A. I do not think it necessarily would—probably it would if there was official correspondence.

Q. If it did not come before you, before whom would it come?—A. If written to the department? If he did not write to me he might write to the minister, or to the secretary, or to the chief engineer. He is at liberty to write to any of the officials in the department.

Q. The chief engineer is not aware, and he has promised to look up and see if there is any correspondence with him; he does not know of any. Are you sure there is no correspondence on your files in regard to the matter?—A. There is none on my files, I am sure no letter was written to me.

Q. Was there any letter written to the department that you have cognizance of?—A. No, I do not think there is anything; at least I am informed there is nothing on the departmental files in the way of a letter or protest, that is as far as my information goes.

Q. And the only protest you know of is the verbal protest made to yourself?—A. As I explained I had a call from Mr. Stewart, and that was by way of explanation, it was not by way of protest; he had heard of this and he told me he wanted an explanation of why it was, so I explained to him that it was so, and how it was so.

Q. You said just now you explained to him that the Maritime Dredging and Construction Company were made to do the work at 39½ cents for all the Beacon Bar side.—A. For the west side, yes.

Q. Although they had tendered at 50 cents for the work?—A. And although he claimed that their tender was low, that the tender of the Maritime Dredging Company, although they tendered at 50 cents for that work, their price on the Courtenay Bay work made them lower for the whole.

Q. When they were put to work there to do the work at the other company's figures?—A. They were put to work there at 39½ cents, which happened to be the other company's figures, that they had submitted.

Q. And that included the Courtenay Bay work as well?—A. No, I do not want to be misunderstood. The Dominion Dredging Company's tender at 39½ cents included Courtenay Bay; the Maritime Dredging Company's contract to dredge the west side does not include Courtenay Bay at that price.

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Q. The contract says, that it is to be done at the price of their tender if they do it?—A. That is true, there was only the one tender, and when it says at the price of their tender it could only mean the one thing, they put in only one tender.

Q. Who put in only one tender?—A. The Maritime Dredging and Construction Company.

Q. And what were those figures?—A. At Courtenay Bay for 25 cents per cubic yard, if done by hydraulic dredge, and 35 cents per cubic yard if done by dipper dredge. There was only the one offer made by the Maritime Dredging Company, only one offer for the work.

Q. That is contrary to the evidence?—A. I do not think it is.

Q. According to the contract there are two tenders, there are two attached to the contract?—A. No, you have only one tender in evidence.

Q. You say there is only one tender in evidence?—A. They submitted only one tender, therefore there cannot be two.

Q. What figures were those?—A. 25 cents and 35 cents.

Q. The contract gives them entirely different prices?—A. Not for Courtenay Bay.

Q. Well, I think it does?—A. Oh, no.

Q. The contract is for Beacon Bar?—A. The contract is for both Beacon Bar and Courtenay Bay.

The CHAIRMAN.—There is an option for Courtenay Bay?—A. It is compulsory on the company to do the dredging at Courtenay Bay at those prices, but it is not compulsory on the government to have it done.

*By Mr. Daniel:*

Q. At which prices?—A. At 25 cents and 35 cents.

Q. Oh, well, we will not go into that again—A. They can be made to do so, there is no doubt about it, and there is no question about it; no question has ever been raised by them, they are practically agreeable to start there to-day at those prices.

Q. That may or may not be the case.—A. They cannot help themselves, we can force them to do it.

Q. We have had the statement before us that if they do the work at Courtenay Bay it is to be done under the terms of the tender?—A. And they put in only one tender.

Q. And the tender which is spoken of in the contract is at 39½ cents?—A. Oh, no, not for Courtenay Bay.

The CHAIRMAN.—That is a question of law it has to be decided.

*By Mr. Daniel:*

Q. Mr. Crocket, who is a lawyer, has stated that in his opinion it goes in a certain way, and you state that in your opinion it goes in another way. We will let that go.—A. Yes.

Q. What I wanted you to come here for this morning was to find out whether you have any correspondence from the Dominion Dredging Company in regard to this matter?—A. Well, as I say, they saw me, but they never wrote me; I suppose they did not think it worth while, there was nothing to be done.

Q. You say that correspondence might be with others than yourself?—A. I say they were at perfect liberty to write to me, I have no means of knowing who else they wrote to.

Q. Who else should they write to in the ordinary course of business besides yourself?—A. They might write to the secretary, or to the minister, or to the chief engineer.

Q. There are three other persons to whom these letters might have been sent?—A. Yes.

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Q. Have you made inquiry of them?—A. No, I have not, but I was informed by an official of the department here that he has not found anything on any of the files.

Q. You, as deputy minister, would have access to all the files?—A. Yes.

Q. To the minister's file?—A. Not to the minister's, he has a file of his own.

Q. You have not access to his file of business letters to the department?—A. He has no business letters of the department.

Q. These were business letters written to the department on the business of the department, there must be a file on which those letters go?—A. Yes.

Q. You are the deputy head of the department?—A. Yes, sir.

Q. Do you mean to say that such letters would not be open to you as deputy?—A. I say that the head of the department might retain them or he might send them out to the department at his pleasure.

Q. I am not asking you that question. Such letters written to and received by the minister, are they open to you as deputy minister?—A. No, they are not.

Q. Do you tell us that seriously, as deputy minister, that business letters written to the minister himself are not accessible to you?—A. The minister is the judge of what is a business letter.

Q. That is not the question?—A. That is the question, sir.

Q. Are you in the ordinary course of your duty as deputy minister, when you want to look into anything connected with business, in a position to see anything, not only what is written to yourself, but to the minister?—A. I have never been refused by the minister, he has never refused to give me any correspondence I have asked for in connection with any subject.

Q. If a letter is written in the ordinary course of business to the minister are you unable to see that letter without the express permission of the minister?—A. In the ordinary course of business he sends those letters to me.

Q. If they have not been so sent to you when received in his office are you able to go and see those letters in the ordinary course of your duty?—A. That is a rather strange question.

Q. It is not a strange question at all.—A. I would not have any reason to ask to see them, I would not know they had been received. I would not be aware of their existence.

Q. If you wanted to see all the papers relating to any particular transaction as a matter of business would you be at liberty to go to the minister or to his secretary and see what he had received upon that subject?—A. Take it this way now; if anything came up, if any question came up in the department I would call for all the papers and I would read all the papers that were in the department. I would not think of going to the minister and asking him. 'Have you any papers about this matter?'

Q. I would not say that you should?—A. That is what you are asking me, certainly I could go and do that, yes.

Q. If you wanted to see all the papers relating to any particular business, and you had reason to suppose or to think that there may have been letters to the minister himself, could you go to his secretary and see those letters?—A. I would certainly go and ask for them, no doubt about that.

Q. Have you inquired yourself of the secretary as to whether the minister had any letters upon this subject?—A. I made no inquiry—

Q. At present you do not know whether the minister had letters or not?—A. I considered the matter closed.

Q. At present you do not know as a fact that the minister had or had not letters?—A. Oh, it would only be a surmise, I do not know.

Q. What is your surmise on the subject, have you any reason to think he has?—A. I told Mr. Stewart that if he wasn't satisfied with my explanation he was at liberty to see the minister or to write a letter to the minister, so that the minister might have correspondence.



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Q. Have you made any inquiry to ascertain whether he has or not?—A. No, I have not.

Q. I suppose as this is not going to be closed to-day you will be good enough to ascertain whether such letters have reached the minister?—A. I will ask the minister.

Q. I do not care at present how you do it. I wish, Mr. Chairman, that the witness be instructed to ascertain whether such papers were received by the minister or not?—A. That is the only way I can ascertain, by asking the minister.

Q. You can tell us when you come again.—A. I will tell you now what I will do. I will ask the minister.

The CHAIRMAN.—Mr. Hunter can ask the minister.

A. Yes, that is the only thing I can do, I cannot do anything but ask the minister.

*By Mr. Barker:*

Q. What about the secretary of the department?—A. I can ask the secretary of the department, but I am informed that he has already been asked and that he has said he hasn't any.

Q. We want to know.—A. I will inquire, I will make full inquiry.

Q. But make inquiry wherever they possibly may be received?—A. I will make full inquiry, and I will even go so far as to ask the minister whether he received any, he may not answer me, and I cannot force him to answer me.

*By Mr. Crockett:*

Q. Did you state that only one tender was received from the Maritime Dredging and Construction Company? Was that the tender dated October 3rd, 1908?—A. I do not know the date of it.

Q. That is the one covering Beacon Bar and Courtenay Bay?—A. That is the one.

Q. What do you call this here (document handed to witness)?—A. I would call that a copy of that tender.

Q. Look at it, look at the date of it.—A. The 3rd of October, 1908.

Q. Yes, I gave you the wrong one. What is the date of this one here?—A. I do not see any date on that, there is no date on this.

Q. There is no date on that?—A. I do not see any.

Q. What is the price named in that?—A. \$4.90 per cubic yard for rock blasted and 39½ cents for other materials.

Q. That is the Dominion Dredging Company's figures?—A. Those are their figures, yes.

Q. That is a copy; where is the original? There is one there that bears a date, I think it is the 10th of May?—A. Yes, here is the date, under that signature.

Q. The 10th of May?—A. Yes.

Q. Is not that a tender?—A. No.

Q. You say that is not a tender?—A. I do.

Q. Why do you say that is not a tender the same as the other?—A. Because although they were the low tender they were told they would not be given the work at 50 cents the price of their tender on the west side, although on the whole thing they were low, but they could do the work at the price of 39½ cents, so this was filled out at 39½ cents and attached to the contract, and they signed it as a part of the contract.

Q. But that altered the character of that document altogether?—A. Certainly, entirely.

Q. You say that did alter it?—A. Entirely.

Q. Just take this, is not this document of the 10th of May, signed by the Maritime Dredging and Construction Company in precisely the same form and terms as the document of the 3rd of October?—A. Yes, but for a different purpose.

## APPENDIX No. 2

Q. It is the same precisely?—A. But for a different purpose.

Q. And different prices?—A. And a different price.

Q. You see the heading of that document, do you not, 'Department of Public Works specification and tender for dredging'?—A. I see 'Specification marked A referred to in within indenture.' This (indicating 'Specification and tender for dredging') should, as a matter of fact, be crossed out.

Q. It should be crossed out?—A. Yes, exactly; it is not 'Specification and tender for dredging, it is the 'Specification marked A referred to in within indenture.'

Q. That is the little blue stamp that the minister was so careful to have attention called to?—A. That is the form we always use in contracts. We always use it, and in this instance it should have been crossed out because it is not a tender, it is a specification.

Q. It is headed the same way?—A. We do that instead of writing it in order to save time, practically we use the same printed form to attach to the contract as the specification that is used for the tender.

Q. And it opens, 'We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery,' &c.—A. It is really a copy of the tender.

Q. It is not a copy it is an original.—A. It is a copy of the tender, which is made a specification, I mean that it is a copy of the tender form, that is what I am referring to, and which we use as a specification and which we can fill in; you cannot call it a tender.

Q. Is not that signed as an original document by the Maritime Dredging Company?—A. Yes, in connection with the contract, we have a specification in connection with all our contracts, we had that executed by them as a part of the contract.

Q. That is what you say is the original specification?—A. It is the original specification.

Q. And it contains the offer of their prices, 39½ cents?—A. It does not contain an offer from them at all, it is a part of the contract.

Q. It says, 'We, the undersigned, hereby offer,' &c., 'to execute and perform dredging,' &c., 'in strict accordance with the following specification and conditions, for the following prices per cubic yard,' &c., and then the price is quoted at 'all other materials (39½ cents) thirty-nine and a half cents per cubic yard,' &c. Is not that an offer?—A. No. I explained that it is a tender form used as a specification. I gave you the explanation.

Q. Upon which of these documents was the contract based for Beacon Bar?—A. On the whole thing, the contract.

Q. Upon which?—A. Upon the two. That is not a tender any more than that (indicating other specification) is a tender. These are both specifications.

Q. You say that the only distinction is the rubber stamp mark there which designates it as a specification?—A. And there is another distinction, this rubber stamp should have been here (indicating document) but was omitted by the man who was making out the copy of the document for the contract.

Q. Is not that an original tender?—A. No, the original tender is in the file of tenders, that is not the original tender at all.

Q. Is not that an original document?—A. Wait a moment until I show you that.

Q. Is not this an original document?—A. That is an original document there is no doubt about that, but that is the original specification attached to the contract—there is no doubt about it. Now, here (producing document) is the original tender. I want to show you the original tender so that you can see it. Here it is, here is the original tender, of which that specification attached to the contract is a copy; you will observe that the original tender is executed on the 3rd of October by the Maritime Dredging and Construction Company.

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*By Mr. Daniel*

Q. That is the 50 cents tender?—A. 50 cents and 35 cents and 25 cents.

*By Mr. Crocket:*

Q. You annex the original document of the 10th of May to the contract, but you annex a copy of the document of the 3rd of October to the contract?—A. No, they both become originals when they become specifications in connection with the contract, they have to be, and are executed with the contract.

Q. Upon which of those documents is that contract that was entered into based?—A. Upon both.

Q. You get 39½ cents from the document of the 10th of May?—A. Yes, we get that.

Q. And you get the price for Courtenay Bay from the other one, dated the 3rd of October?—A. Yes.

Q. The Governor in council authorized the contract for Courtenay Bay only subject to this condition?—A. Oh, no, there is a contract for both the west side and Courtenay Bay.

Q. I think you are mistaken about that.

*By Mr. Barker:*

Q. The minister said he did not recommend the other?—A. No, he said he did not recommend that the other work be proceeded with immediately, just the west side.

*By Mr. Crocket:*

Q. The Governor in council authorized it, as you are aware, subject to this condition, that if it were determined afterwards, before the completion of the Beacon Bar work to do the Courtenay Bay work, then the contractors obligated themselves to do the Courtenay Bay work, then the contractors obligated themselves to do the Courtenay Bay work at the prices stated in their tender.—A. Yes, at 25 cents and 35 cents.

Q. That is not what the contract says.—A. Yes it is, that tender is a part of the contract.

*By Mr. Carvell:*

Q. If I understand you rightly, Mr. Hunter, the original tender is not attached to the contract in any case?—A. The copy of the original tender is made use of as a specification to form part of the contract.

Q. But the original document itself, that is the paper itself, is not a part of the contract?—A. The paper itself is not a part of the contract?—A. The paper itself is not a part of the contract, and never is a part of the contract.

Q. And it was not a part of the contract in the St. John Harbour case?—A. No.

Q. When an order in council is passed and they have decided to enter into a contract then, as I understand it, a copy of the original tender is made and attached to the contract, and that copy is signed by the contractor as well as the contract:—A. Exactly, as a part of the contract, and it becomes the specification.

Q. But that is only a specification?—A. Exactly.

Q. The original tender still remains on the file in the department?—A. Exactly.

Q. Now you have here the original tender?—A. Yes.

Q. And it is not attached to the contract?—A. Quite so.

Q. But a copy of that original tender which you call a specification has been made out and was afterwards signed by the contractor and becomes a part of the contract, and you have added another specification of the date, 10th of May, which also becomes part of the contract?—A. The result of another arrangement authorized by order in council.

Q. So that when you refer to that tender and order in council you construe it that it can only refer to one document, because there is only one tender?—A. Unquestionably, there is no doubt about that.



## APPENDIX No. 2

*By Mr. Daniel:*

Q. There are two sets of prices under the contract?—A. There are two sets of prices but not two tenders.

Q. I have not understood that yet. A. Do you want me to go over all that again.

Witness discharged.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, March 18, 1910.

The Public Accounts Committee met at eleven o'clock to-day, Mr. Warburton, Chairman, presiding.

The committee resumed the consideration of a payment of \$16,050.20 to the Maritime Dredging and Construction Company *re* dredging at St. John harbour.

Mr. J. B. HUNTER, Deputy Minister of Public Works, recalled and further examined:

*By Mr. Crocket:*

Q. Have you searched the records of the department for any correspondence from the Dominion Dredging Company in regard to the work of the Maritime Dredging Company in St. John harbour?—A. Yes. I found none in the department, but the minister has some correspondence with this company.

Q. Have you got the correspondence?—A. He gave me the correspondence, yes.

*By Mr. Carvell:*

Q. Is it private correspondence?—A. It is not marked private.

Mr. CARVELL.—I suppose you will put in the whole correspondence, Mr. Crocket. If it is correspondence at all it all should go in.

Mr. CROCKET.—I shall put the whole file in.

*By Mr. Crocket:*

Q. Is that all, Mr. Hunter?—A. Yes, that is all.

Q. That is all the minister gave you?—A. That is all the minister gave me.

The CHAIRMAN.—Does that close this matter?

Mr. CROCKET.—No, we would like it to stand until after the vacation.

The following is the correspondence filed by Mr. Hunter, the Deputy Minister of Public Works:—

THE DOMINION DREDGING COMPANY, LIMITED,

OTTAWA, June 28, 1909.

HON. WM. PUGSLEY,

Minister of Public Works,

Ottawa, Ont.

DEAR SIR,—In *re* dredging in St. John harbour, N.B. On September 16, 1908, your department advertised for tenders for dredging in the harbour of St. John, including Courtenay bay, a copy of which advertisement we inclose. We tendered for this work without having any knowledge of the quantity of material to be removed, as we could get no information from the officers of your

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department either in Ottawa or St. John as to this work, and no plans of the work could be shown us as no surveys had been taken, so that in tendering we based our price on an ordinary season's work as we would naturally do, considering that the deposit cheque called for was only \$6,000. It has since come to our knowledge that the quantity of material to be removed under this tender at Sand Point alone, and not including Courtenay bay, is from six to ten million yards, and that a contract has been entered into with the Maritime Dredging and Construction Company, who, we understand, were the lowest tenderers for the work, when Courtenay bay is included, to do this work, the said contract we understand being for the removal of a given quantity of yards each year for five years. The only other contract of this nature which we are aware of that the department ever entered into was for the work at Fort William, and in that case the advertisement calling for tenders specified the number of yards to be removed each year for a given number of years and a deposit cheque of \$30,000 was asked for. We may say that we felt the time would come when a contract for St. John harbour of a like nature would be advertised for, and naturally thought that tenders would be called for in the same way as at Fort William, after surveys had been taken estimating the quantities and plans prepared. With this object in view and anticipating that only dredges registered in Canada at the time tenders were called for could be employed on this work, we contracted for and had built by Messrs. N. Beatty & Sons, Limited, of Welland, Ontario, a dredge suitable in every way to do work of this nature, in addition to another large dredge which we already had. We have now under construction by Beatty & Sons another large dredge, delivery of which will be made to us in the early spring of 1910. Had we been aware that under the tenders called for the department was prepared to contract for the removal of so large a quantity of material running over a number of years, we would have been prepared to tender at a much lower price. We wish to point out to you that the Maritime Dredging and Construction Company did not have the plant suitable for this work at the time they tendered, and since this contract was awarded them they have brought into Canada an American plant to do this work, although the advertisement for tenders stipulated that only dredges registered in Canada at the time of the filing of the tenders could be employed. We may say that we were at one time called upon by your department to show that one of our dredges was registered in Canada at the time of filing of a tender before they would award us a contract for which we were the lowest tenderer. In view of the foregoing facts we feel that our request to you for a division of this work should receive greater consideration at your hands.

Yours truly,

THE DOMINION DREDGING CO., LIMITED,

E. A. LARMONTH, *Secretary-Treasurer.*

ON TRAIN, July 6, 1909.

DEAR SIR,—I beg to acknowledge receipt of your favour of the 28th ulto. With reference to your statement that your company was not aware that the contract for dredging at St. John would be given for more than one season, I would call to your attention the fact that it was publicly announced by me in parliament, and I think generally understood by all the contractors, that the reason why the advertisement calling for tenders was changed from what it had been in previous years, so as to leave out the limitation of the work for the then present season, was that contractors might be assured of the continuance of the work for such reasonable time as would warrant them in obtaining a first-class plant which would do the work more cheaply, and thus enable the department to procure the performance of the dredging at lower prices than had formerly been the case. In

## APPENDIX No. 2

tendering for the work at Yarmouth and other places, I take it for granted that your company had this in mind and I have extended your contract, one of which, that at Yarmouth, is of considerable magnitude. The contract price for the dredging at St. John is, as you are aware, not much over one-third of what was paid to your company, as well as to Mr. Mayes, for a large quantity of work in the harbour of St. John, and there is no doubt whatever that I was able to obtain this greatly reduced tender by reason of the tenderers understanding that the work would not be limited to one season. The contract having been entered into, I have no power to compel the contractors to share the work with your company any more than I would have to compel your company to allow another contractor to put his dredge to work at Yarmouth. At the request of Mr. Stewart I saw Mr. Moore, the president of the company, and told him that I would be pleased if he could arrange to expedite the work by the use of your dredge; further than this, however, I could not go, as it is a matter entirely for the contractors.

Yours very truly,

(Signed) WILLIAM PUGSLEY.

E. A. LARMONTH, Esq.,  
Secy.-Treas. Dominion Dredging Co.,  
Ottawa.

THE DOMINION DREDGING COMPANY, LIMITED,

OTTAWA, August 18, 1909.

Hon. DR. PUGSLEY,  
Minister of Public Works,  
Ottawa, Ont.

DEAR MR. PUGSLEY,—Since the Dominion Dredging Company wrote you in reference to the dredging in St. John harbour asking for a division of the work, they being under the impression that the Maritime Dredging and Construction were doing the work at a lower price than their tender, it has come to my knowledge that the work is being done at thirty-nine and one-half cents, which was the tender price of our company. I will be in the city until Friday evening and would like to have an interview with you in regard to the matter if you would let me know what time it would be convenient to see me.

Yours respectfully,

R. GORDON STEWART.

August 23, 1909.

DEAR SIR,—I am in receipt of your favour of the 18th instant, and will be pleased to see you at any time, although I cannot see that it would be of any advantage to talk over the St. John dredging as I already presented as strongly as possible to the Maritime Dredging and Construction Company your request to obtain a sub-contract.

Yours very truly,

(Signed) WILLIAM PUGSLEY.

R. GORDON STEWART, Esq.,  
48 Elgin street, Ottawa.

THE DOMINION DREDGING COMPANY, LIMITED,

OTTAWA, September 7, 1909.

Hon. WM. PUGSLEY,  
Minister of Public Works,  
Ottawa, Ont.

DEAR SIR,—I am in receipt of your favour of the 23rd ult. replying to my letter of the 18th and judge from it that you misunderstood my request for an



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interview, as you referred to a request from me for a sub-contract in the harbour of St. John for our company from the Maritime Dredging and Construction Company. What our company ask for was a division of this work by your department and not a sub-contract from the Maritime Dredging and Construction Company

Yours truly,

R. GORDON STEWART.

September 9, 1909.

DEAR SIR,—I am in receipt of your favour of the 7th instant and regret that I do not see how it will be possible to comply with your request for a division of the work of dredging at St. John as I would have no power to alter the contract entered into by the Maritime Dredging and Construction Company under which they are entitled to do the dredging at St. John.

Yours very truly,

(Signed) WILLIAM PUGSLEY.

R. GORDON STEWART, Esq.,  
48 Elgin street, Ottawa.

Mr. CROCKET.—There is another matter. I was under the impression that motions had been made that all the matters investigated referring to New Brunswick should be reported to the House. I find, however, that that is not the case, so I will move this motion: 'That the evidence taken in connection with dredging at Loggieville, Bathurst, the public building Richibucto, and John Dumas, Richibucto wharf, be reported for the information of the House.'

Mr. CARVELL.—Maquapit lake was to stand over for Colonel McLean.

Mr. CROCKET.—All those except Maquapit lake.

Motion carried.

# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING A PAYMENT OF

\$44,056.44 TO A. & R. LOGGIE

IN CONNECTION WITH

DREDGING AT LOGGIEVILLE, BATHURST,  
DALHOUSIE, STONHAVEN  
AND CARAQUET.

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,  
*Chairman.*



## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

THURSDAY, February 24, 1910.

The Select Standing Committee on Public Accounts met at eight o'clock p.m., Mr. McColl presiding.

The committee proceeded to the consideration of a payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Bathurst, Loggieville, Dalhousie, Stonehaven and Caraquet as set out at V—289 and 290, Report Auditor General, 1909.

Mr. ANDREW LOGGIE, recalled:

*By Mr. Crocket:*

Q. You stated this afternoon, I think it was in reply to Mr. Blain, that you never got any dredging work from the Department of Public Works without tender, as being regularly advertised?—A. I do not think I said such a thing.

Q. I understood you to have said so?—A. I do not think so.

Q. Do you say you have?—A. There has been dredging done by us that was not under a tender.

Q. Not under tender?—A. Yes, sir, that is right.

Q. Where was that?—A. That would be at Stonehaven and I think also at Bathurst.

Q. You remember when you were instructed to proceed with the work at Bathurst?—A. No, I do not.

Q. There is the telegram. You can look it over. Read it please?—A. (Reads):

DALHOUSIE, N.B., October 14, 1908.

EUGENE D. LAFLEUR,  
Ottawa.

Kindly authorize resident engineer Stead to put dredge *Hayward* at work at Bathurst at same price as Caraquet, contract to be certified fair and reasonable by Stead, work not to exceed five thousand dollars.

(Sgd.) WILLIAM PUGSLEY,  
*Minister Public Works.*

Q. That telegram was dated 15th October, 1902, it seems to be here, but that was 1908, was it not?—A. Yes, I would suppose it was.

Q. The dredge *Hayward* is your dredge, or the dredge of the A. & R. Loggie Company?—A. Yes, sir.

Q. And the Mr. Stead referred to is the Mr. Stead who asked you for the letter as to the valuation of the Richibucto wharf?—A. Yes, at least I think so, or rather that Mr. Stead is the engineer.

Q. You are aware that the Minister of Public Works was at Dalhousie at that time, are you not?—A. Yes, sir, I heard that report after he had been there.

Q. Do you say you did not see the Minister of Public Works?—A. I say I did not.

Q. Positively you did not?—A. I positively did not.

Q. Your store is very close to the station?—A. Right opposite the station.

Q. And were you about Dalhousie that day?—A. No, sir, I was not in Dalhousie at all.



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Q. Are you positive of that?—A. I am positive.

Q. Have you anything upon which to base that statement?—A. Well, I know when Mr. Pugsley was there. If Mr. Pugsley was there that day I was not there, because I never was in Dalhousie when Mr. Pugsley was there.

Q. You never were in Dalhousie when he was there?—A. No, I never was there when he was there.

Q. Where were you? Can you say?—A. I think I must have been in Richibucto. I must have been in either Richibucto or Loggieville as near as I can remember it.

Q. But you have no definite record which will establish where you were that day?—A. That is my opinion. My opinion is that I was at Richibucto.

Q. Have you any record to which you can turn to show conclusively you were at Richibucto?—A. That is where I believe I was.

Q. Will you swear you were there that day?—A. That is my opinion.

Q. Did you know the Minister of Public Works was to address a meeting at Dalhousie, or to visit Dalhousie?—A. No, I do not believe I did.

Q. Do you know that he addressed the meeting there?—A. I understood he did, when I came back.

Q. At Dalhousie?—A. Yes.

Q. At any rate that is his telegram sent from Dalhousie on that date?—A. Well, I suppose it is.

Q. Do you know that your dredge went to dredge at Bathurst, your dredge *Hayward*?—A. Well, Mr. Crocket. I do not know whether she went or whether she was there already. I could not tell you.

Q. You cannot say that?—A. No, sir, because I do not know that.

Q. You say your dredge *Hayward* did not do any work at Bathurst?—A. I do not say that. You say she went there. I say I do not know whether she went there or afterwards.

Q. But you know the dredge *Hayward* did perform the work which was instructed to be performed, and intended to be done under this contract?—A. I know the dredge *Hayward* dredged out at Bathurst. I never saw her dredge there, but there is no doubt she did.

Q. You got paid for that?—A. There is no doubt about that.

Q. I mean dredging was done at Bathurst?—A. That I do not know.

Q. What was your price at Caraquet?—A. 41 cents.

Q. Did the dredge *Hayward* or did any of your dredges do any work at Caraquet that fall?—A. No, sir.

Q. And you are not able to say whether at the time this telegram was sent, your dredge *Hayward* was actually at Bathurst or not?—A. I am not. If you will allow me to explain, with the chairman's consent—the dredge *Hayward* left Dalhousie to go to Caraquet to be there the first of October. When she left there I do not know. She did not do any dredging, the weather was rough, and they came to Bathurst. Whether that was before or after that telegram I do not know.

Q. The dredge went to do work at Caraquet, did it not?—A. Yes, sir.

Q. But for some reason the work was not done at Caraquet?—A. On account of the weather, I understood.

Q. In an exposed position?—A. Yes, sir.

Q. And rough weather?—A. That is what I understand.

Q. And your dredge was going in to lay up at Bathurst for the winter, was it not—the *Hayward*?—A. I do not know that she was going to lay up for the winter. She may have been going to dredge some; but as I understand, when she left Caraquet she went to Bathurst.

Q. Here is a letter of the 6th of October, 1908, signed by Geoffrey Stead, written to E. D. Lafleur, Esq., Chief Engineer of the Public Works Department at Ottawa (Reads):

## APPENDIX No. 2

No. 6572

Subj. Bathurst Hr.

CHATHAM, N.B., October 6, '08.

SIR,—In regard to dredging at Bathurst, on which I have just reported, I might say that the dredge *Hayward* is leaving Caraquet to go into winter quarters at Bathurst as the site of the work at Caraquet is too much exposed for dredging at this season.

In Bathurst Harbour, however, the dredge might safely work for some time this autumn if the dredging there is decided on, as the site is sheltered.

Yours obediently,

(Sgd.) GEOFFREY STEAD,  
*Resident Engineer.*

EUGENE D. LAFLEUR,  
Chief Engineer, D.P.W.,  
Ottawa.

Q. You see what Mr. Stead's statement is in that letter, that the dredge *Hayward* was leaving Caraquet to go into winter quarters at Bathurst?—A. Yes.

Q. And on the 14th, eight days after, Mr. Pugsley himself telegraphed to Mr. Lafleur to send your dredge to Bathurst, the dredge *Hayward* to work at the same prices as at Caraquet. That is right, is it not?—A. So far as I know, yes.

Q. You have heard it read?—A. Yes.

Q. You received over \$5,000 for that work, or your firm did?—A. Well, I do not know, Mr. Crocket. No doubt we did, if it is there.

Q. These are the accounts. I find on the Auditor General's file, October, 1908, 8th to the 16th, A. & R. Loggie, address Loggieville:

November 6. To dredging performed by the *Hayward* at Bathurst,  
N.B., October 19, '08, 8th to 16th, 4,182 cubic yards at  
41c. . . . . \$1,714 62

That is your account?—A. I suppose it is. As far as I am concerned, I never saw it before.

Q. You observe there the dredging was begun on the 8th of October?—A. That I do not know.

Q. That is what that shows, is it not, 8th to the 16th?—A. Yes, that is what that shows.

Q. And you had not authority to work until the 14th of October—A. I do not know that.

Q. Can you show me any other authority than that which began with the minister's telegram?—A. The reason I do not know, as far as that is concerned, is that I was not there. I was in Dalhousie.

Q. I know, but I am asking you about that account. If that account is correct, you had been at work for six days on that job before the minister telegraphed to Mr. Lafleur to instruct the *Hayward* to go to work. Is not that right?—A. Certainly it is right, it speaks for itself. Here is another one: 'To dredging performed by the *Hayward* at Bathurst, N.B., October 19, 1908, 17th to 31st, 7,155 cubic yards at 41 cents, \$2,933.55.'

Q. That is another account of yours?—A. Yes, sir.

Q. And here is another: 'To dredging done by the dredge *Hayward* at Bathurst, November, 1908, 1,009 cubic yards at 41 cents.' The total of all of which is over \$5,000?—A. Yes, sir.

Q. And from that account you had been at work for eight days before there is any record of any authorization to you to do any work?—A. That I do not know.

Q. From the account it appears that way to you?—A. Yes, from the account it appears that way to me, but from my own knowledge, I do not know.

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Q. This is the item on the Auditor General's Report: 'Dredge *Hayward*, dredged at Bathurst October 8th, November 7th, Ordinary spoil, total, \$5,086.46.'

Q. You were never asked to tender for that work?—A. Not that I am aware of.

Q. How did you get that price fixed?—A. Mr. Crocket, I could not tell you that.

*By Mr. Blain:*

Q. Did you not say this afternoon you were under no obligation to the department, because every contract you had received you had tendered for after public advertisement?—A. This afternoon?

Q. Yes, just at six o'clock?—A. Well, I don't remember that.

Q. Well, you did, if you will pardon me.

Mr. CARVELL.—He explained that before you came in, Mr. Blain. He explained that before you came in.

*By Mr. Crocket:*

Q. These are the weekly reports sent in, signed by the inspector, the character of the work is mud and clay?—A. Yes.

Q. Mud and clay?—A. Yes.

Q. Do you know Joseph H. Doucette?—A. I do not.

Q. You do not know Joseph H. Doucette?—A. I do not know anything about him.

Q. Do you know F. A. Fowler?—A. No, sir.

Q. The captain of your dredge?—A. He is not F. A. Fowler.

Q. Perhaps it is Foley? Do you know him?—A. Yes.

Q. He is the captain of the dredge?—A. Yes, sir.

Q. These are signed by the same Geoffrey Stead to whom you referred?—A. I suppose they are, I do not know.

Q. 'Prices fair and just, Geoffrey Stead'?—A. No doubt that is his signature.

Q. You do not know his signature?—A. I do not think I would know his signature, but no doubt he signed them. I could not swear to Geoffrey Stead's signature. I am not disputing that, but I would not swear that is his signature.

Q. How about this price of 41 cents? Do you know anything about that?—A. I do not. If you will allow me to explain, I was in Dalhousie, and the dredge was down in Bathurst; I was not near it; I had nothing to do with it, you understand. I was in Dalhousie. He moved up to Bathurst and did the dredging there. I never saw those before.

Q. They are the accounts of your firm?—A. Yes, that is right.

Q. You are the senior member of the firm and the principal business man of the firm?—A. No, sir, I am not the principal business man.

Q. Who is the principal business man?—A. We all work alike.

*By Mr. Blain:*

Q. Is there any other member of the firm would know more about that account than you do?—A. I do not know. There might be and there might not be.

Q. If there was, who would he be?—A. I do not know that he would know any more about it than I, because this dredging was done at Bathurst; and those accounts would be made out by the inspector and sent to Mr. Stead, and not to me in Dalhousie. And then I do not know whether they went to Loggieville at all or not.

Q. Are we to understand no member of the firm knows anything about those accounts?—A. No, sir; you are not to understand any such thing.

Q. Which member does?—A. Both of the other members may.

*By Mr. Crocket:*

Q. Now, your price at Caraquet was 41 cents towed to the dumping ground?—A. Yes, sir.



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Q. Look at that and see if there was any towing done there at all?—A. There does not appear to be any towing.

Q. Do you know as a matter of fact there was no towing at Bathurst at all and the whole material was cast over?—A. I do not know that.

Q. Returns show that?—A. Yes.

Q. You got the same price at Bathurst for casting over the material, mud and clay, simply casting it over without towing, as your contract at Caraquet called for towing to the dumping ground?—A. We got 41 cents in Bathurst; whether it was all cast over, or some of it was, I do not know.

Q. I may say to you it was all cast over?—A. Very well, we got the same price, as I understand it.

Q. At Caraquet, your contract called for towing to the dumping ground?—A. I think so.

Q. At Caraquet you say it was a very exposed position, and in fact so exposed that you could not work, you could not perform the work?—A. That is what I understand from the fact of the dredge leaving there and going to Bathurst.

Q. Now, let me see how this works out: You seem to have been at work six days before there was any authorization from anybody. The minister's telegram you have read is dated 14th October. Now, these accounts came before the Auditor General for payment, Mr. Loggie?—A. Yes, sir.

Q. And he seems to have caught on to it. Have you the Auditor General's letter, Mr. Carvell?

Mr. CARVELL.—I have never seen it.

Mr. CROCKET.—I have it here. It is a letter from the Auditor General of the 25th of March, 1909, and that brings a report from Mr. Geoffrey Stead.

Mr. CARVELL.—This brings up the question I raised some time ago. Of course this witness has no knowledge of what took place between the Auditor General and Mr. Stead or anybody else.

Mr. CROCKET.—I want to put some questions to Mr. Loggie on this report of Mr. Stead's. I will not be very much longer with the Bathurst question. This statement is contained in that report:

'On account of the difficulty and expense and loss of time you had had by moving from Dalhousie to Caraquet and Bathurst'—do you observe that statement?—A. Yes.

Q. And the documents already in evidence show your dredge was at work on the 6th of October, but there was no authorization for you to do the work?—A. That I do not know.

Q. That appears to be the case, from the bills and the documents does it not?—A. Yes.

Q. Now, you see that your accounts and Mr. Stead's previous letter shows that your dredge had put into Bathurst to lay up for the winter?—A. I see that?

Q. Yes? You know the dredge *Hayward* put into Bathurst to lay up for the winter, or did you not?—A. I know the dredge left Dalhousie and went to Caraquet, and went from Caraquet to Bathurst to put up there.

Q. And Mr. Stead reported to?—A. Yes.

Q. And in the letter of 14th October, 1909, he speaks about the difficulty and expense that you were at in moving your dredge from Dalhousie to Caraquet and Bathurst in justification of paying you 41 cents for casting the material over?—A. There is no doubt it was quite an expense to take a dredge from Dalhousie to Caraquet and back to Bathurst.

Q. But your dredge was at Bathurst as appears, before there was any authorization to you to do the work?—A. That may be too; no doubt it is true, if it is there.

Q. Here is a letter from Mr. Turgeon, member for Gloucester in regard to the Bathurst property: (reads):

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BATHURST, N.B., July 28, '08.

Honourable WILLIAM PUGSLEY,  
Minister of Public Works,  
Ottawa.

My dear Minister,

The McLean Company, an American firm in which Senator Edwards is interested, have purchased the Summer mill in Bathurst Village, and the extensive lumber limits connected therewith.

They are now erecting an immense plant in concrete work of a powerful capacity, and will carry on lumber operations quadruple in extent to what was carried on in the past.

They will require some dredging at a certain point in the harbour, without which they could not practically carry on their business it is asserted. They do not expect the dredging of the harbour in general, which would no doubt be a very expensive work. They only require a couple of bars high, too short to be skimmed at the entrance of the channel leading to their booms.

They wish to know at once what may be done to relieve their situation. I understand \$20,000 would cover the necessary expenditure.

Would you kindly have immediate instructions wired to your resident engineer, Mr. Stead, at Chatham, to make at once a survey and report on this particular work so that you may be able to let us know your views at the earliest possible moment.

Believe me, dear sir,

Very respectfully yours,

(Sgd.) O. TURGEON.

Q. Do you know if that is the dredging that your dredge did?—A. I do not know, but I suppose it is.

Q. You suppose that is the dredging?—A. Yes.

Q. Here is a letter or a report of Mr. Stead's on the 6th of October. (Reads.)

No. 6,567.

Subj. Bathurst Hr.

OCTOBER 6, 1909.

SIR,—As requested in your letter No. 4340 of 11th August an examination has been made of the dredging asked for at Bathurst Harbour in front of Bathurst Lumber Company's property, and I inclose a plan showing the site and extent of the proposed work. The Bathurst Lumber Company will erect a large mill at a cost of about \$250,000 with a capacity of 150,000 F.B.M.

The water in Bathurst Harbour is very shallow and unsafe in narrow channels, and to reach the channel in front of the mill the company requests that a cut 100 feet wide be made across the flats and old booming ground to give six feet at low water between spring tides.

The company state that on completion of the dredging they intend to build a wharf along the edge of the cut from which to load their lumber in barges and schooners.

Dredging to give 6 feet at low water would amount to 36,500 cubic yards of barge measurement, which at 35 cents per cubic yard would cost \$12,775. The company state that a depth of four feet at L.W.O.S.T. would be sufficient for this season. This would require dredging to the extent of 26,800 cubic yards.

The correspondence inclosed with your letter is returned herewith.

Yours obediently,

(Sgd.) GEOFFREY STEAD,

*Resident Engineer.*

E. D. LAFLEUR, Esq.,

Chief Engineer, Department Public Works,  
Ottawa.

## APPENDIX No. 2

Q. Do you know if that is the company of which Senator Edwards is a member, as referred to by Mr. Turgeon?—A. I have no means of knowing only by report. I have no official way of knowing; I think Senator Edwards is in that company.

Q. Mr. Turgeon mentioned him as being of the company?—A. Yes, I believe he was.

Q. You notice that Mr. Stead there estimates that work at 35 cents?—A. Yes, sir.

Q. And he certified it for 41 cents after the minister had instructed the department to give it to you?—A. I have no means of knowing that.

Mr. CARVELL.—It is not fair to say that Mr. Stead certified it at 35 cents. He says a certain number of cubic yards, which at 35 cents would cost that much. That is a matter to fight out with Mr. Stead.

WITNESS.—I do not know why I should be responsible for what Mr. Stead does.

*By Mr. Crocket:*

Q. You seem to be the gainer by what Mr. Stead does?—A. Yes.

Q. He certifies that 41 cents is 'fair and reasonable'?—A. Have you not read me a telegram where Mr. Stead had authority to put the dredges at work at Bathurst at 41 cents?

*By Mr. Carvell:*

Q. Do you know anything about the location at Bathurst, whether if you had gone on and done all the work suggested by Mr. Stead it would have been done more cheaply, or would it cost more money, or do you have any knowledge of it yourself at all?—A. I do not know whether it would or not. That is a statement I would not make.

Q. Did you ask the minister or any officer of the department for a chance to do this dredging at Bathurst at any price?—A. I never did, and I am not aware of the firm doing it. I positively never did.

Q. Was there any correspondence or verbal correspondence?—A. Not that I am aware of.

Q. You simply got instructions to go and do this work at the Caraquet price?—A. As I understand it, the captain of the dredge got that instruction.

Q. And you did so, and got your pay for it?—A. We did so and we got our pay for it.

*By Mr. Blain:*

Q. Without any tender at all?—A. Certainly, as I explained to Mr. Crocket at first.

Mr. CARVELL.—No tender at all; they simply got the telegram to go and do it.

*By Mr. Blain:*

Q. Do you get many contracts that way?—A. No, sir. All the dredging we have done that way, as I understand it, is some dredging at Stonehaven and Bathurst, as far as my knowledge goes.

Q. The others were by tender?—A. Yes, sir.

*By Mr. Carvell:*

Q. Do you know whether there is anything in the contract which gives the department to move you from one place to another?—A. I think there is.

Q. Did you have a contract regarding the Caraquet work?—A. Yes.

Q. Was it a written contract?—A. Yes, I think so.

Q. What was the price there?—A. 41 cents.

*By Mr. Blain:*

Q. Who scrutinizes your contracts before they are signed on behalf of your firm? Which member of your firm?—A. We have all signed them.

Q. My question. I would like to know which member of your firm is the active



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man in connection with the dredging business between your company and the government?—A. That is a question Mr.—I do not know what your name is, what you call the active man—if there were contracts to sign if you will allow me to explain, each of us would sign the contract as far as the contract was concerned. Is that the explanation you want?

Q. No. That is the explanation as to the signature. I am assuming that some member of your firm makes a specialty of attending to all these contracts between your firm and the government?—A. No, sir, I do not think so.

Q. Some of the partners in your firm do that; it must be either one or the other?—A. If I signed a contract I would certainly look it over before I signed it.

Q. And each of the members of your firm do that?—A. Certainly, if they sign it.

Q. Did you look over this one?—A. Certainly I did, if I signed it.

*By Mr. Carvell:*

Q. You did sign it.—A. I looked it over then.

Q. We will not take time in going over it?—A. About the place you spoke of, can you not find that?

Q. I do not want to take up the time in looking for it. If it is found in the other contract it can be put in the evidence.

*By Mr. Crocket:.*

Q. I want to call your attention to a statement Mr. Stead made in his report after the Auditor General called his attention to this irregularity, that it was the intention of the contractors, that they should receive 41 cents for material cast over. Did you know anything about that?—A. I did not. The intention of the contractors?

Q. Yes, that is what he states, if I remember correctly, in his report.—A. I do not know.

Q. Were you ever consulted about this at all?—A. About the Bathurst dredging by Mr. Stead?

Q. About the Bathurst dredging by Mr. Stead or by Mr. Pugsley or by anybody connected with the Department?—A. No, sir, I was not.

Q. Never spoken to?—A. About the Bathurst contract?

Q. Yes?—A. No, sir. If you are speaking of Andrew Loggie.

Q. Yourself?—A. No, sir.

Q. You do not know how this thing was brought about at all?—A. I do not. It would appear to me that that telegram that the Captain of the dredge got to go there was his authority.

Q. You know nothing except what you found out since you came here. Is that right?—A. Yes, sir, as far as the Bathurst dredging was concerned.

Q. This was in the month of October, 1908?

*By Mr. Carvell:*

No doubt at all it was just before the election?—A. No question at all.

*By Mr. Crocket:.*

Q. In the month of October, 1908, that telegram was sent from Dalhousie?—A. Yes, the telegram you showed me as being sent from Dalhousie was on the 14th October, 1908.

Q. The election was on the 26th of October?—A. Yes.

Q. You received \$14,186.90 according to the Auditor General's report for dredging at Loggieville, your firm did?—A. Yes, sir.

Mr. CROCKET.—I will put in the whole contract. "We have three contracts which we will put in evidence.

## APPENDIX No. 2

## (CONTRACT FOR DALHOUSIE WORK.)

Specification marked 'A,' referred to in within indenture.

## DEPARTMENT OF PUBLIC WORKS.—SPECIFICATION AND TENDER FOR DREDGING.

We, the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary dredges, drills, tugs, steamers, scows, labour, plant and machinery, and to execute and perform dredging in the following mentioned rivers and harbours and their approaches in the province of New Brunswick, at Dalhousie, and in strict accordance with the following specification and conditions, for the following prices per cubic yard, scow measurement:—

Rock (blasted) or boulders exceeding 2 cubic yards, (\$3.00) three dollars per cubic yard, scow measurement, towed to dumping ground.

All other materials (\$0.50) fifty cents per cubic yard, scow measurement, towed to dumping ground.

Rock (blasted) or boulders exceeding 2 cubic yards..... dollars per cubic yard, bucket measurement, cast over, 20 feet from cut.

All other materials.....cents per cubic yard, bucket measurement, cast over 20 feet from cut.

We agree that the plant supplied shall be thoroughly examined by an officer of distance not exceeding three miles to the dumping ground, and to accept one cent per cubic yard additional for every additional mile of tow that may be ordered, except in tidal waters when the additional price will be two cents per cubic yard.

We agree to work in accordance with the written instructions given us from time to time by the chief engineer of the Department of Public Works or his representative, resident engineer, and to deposit all materials dredged out in such places and in such a manner as may be indicated in writing by the chief engineer or by the engineer acting under his instructions.

We agree that the plant supplied shall be thoroughly examined by an officer of the Department of Public Works, and that if it be found of an inferior description or deemed unfit to perform the work required, then on receipt of notice in writing from the chief engineer we will, within one week, supply such other plant as shall be approved of by the chief engineer, and in the event of failure or refusal on our part to do so, the department shall have the power to terminate the contract.

We declare that we have, on the date of filing of this tender, the following named plant duly registered in Canada for the performance of the works tendered for:

Name of dredge *Hayward*. Capacity per hour from 20 to 75 cub. yards. Tug *Mascot*. Dump scows Nos. 1 & 2. Capacity each about 100 cub. yards.

We agree that the plant supplied shall be manned with efficient officers and men, and furnished with a proper outfit for the working and maintenance of the same. No alien labour to be employed.

We agree to provide and keep lighted proper ship lights on the dredge, tugs, scows, platform, &c., during the night, and to be liable for all wharfage and dockage of the plant, or any part of it, and responsible for damage done to piers or to shipping through the negligence or inattention of ourselves, agents or servants.

We agree that the Department of Public Works shall not in any way be held liable for any expense connected with towing the plant, or any part of it, to or from the localities where dredging is to be performed, or for any loss or damage during storms, fire, collision or otherwise, either in transit to and from such

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localities, or during the period the plant is employed by the department, nor for any delays or accidents which may be due to other works being carried on concurrently in the locality or localities either by the department or corporations or individuals, or by shipping.

We agree that any dredge intended to be employed on this work must be duly registered in Canada at the time of the filing of this tender with the department.

We agree that the department will in no way be bound to make any allowance for dredging to a greater depth than one foot beyond the depth which may be ordered to be made, nor for a greater width than that which may also be ordered to be made.

We agree to begin work within twenty days after the date we have been notified of the acceptance of our tender.

We agree that in tendering for the work herein contemplated, we will be bound to pay to the workmen engaged on the said work, such wages as are generally accepted as current in each trade for competent workmen in the district where the work is carried out, and that we, after having signed the contract, will be held and bound to conform ourselves to the wording and spirit of this clause.

We hereby certify that we have visited and examined the site of the proposed work, or have caused it to be visited and examined by a competent person on our behalf, and have made all inquiries relative to the kinds of the materials to be removed.

Payments to the contractor entrusted with the work will be made every month on the certificate of the chief engineer, who shall be the sole judge as to the quantity and value of the work performed up to the time of each payment.

We herewith inclose an accepted bank cheque, payable to the order of the Honourable the Minister of Public Works, for the sum of six thousand dollars (\$6,000) as security deposit in connection with the dredging we offer to perform in the province of

Intending contractors will please note that separate tenders will have to be made for works in each province of the Dominion, and that each of these tenders must be accompanied by an accepted cheque for six thousand dollars (\$6,000) as above stated.

The cheque or cheques will be returned if the tender or tenders are not accepted.

NOTE.—It must be distinctly understood that the department does not bind itself to continue the work at the prices quoted after the close of navigation this coming fall or after the close of the present fiscal year, in cases when the navigation is open all the year, nor after the appropriation granted for this work is exhausted; but we agree that the department will have the power and right to, at any time, call upon us to continue for one or more ensuing seasons, the dredging which may be awarded to us under this tender and at the prices herein quoted.

Although receiving this tender in the manner and with the conditions set forth above, the Department of Public Works reserves the right of executing the work with the dredging plant of the Department and of not accepting the lowest or any tender.

EUGENE D. LAFLEUR,  
*Chief Engineer.*

DEPARTMENT OF PUBLIC WORKS,  
Ottawa.

Envelopes containing this tender are to be endorsed 'Tender for dredging at Dalhousie, in the province of New Brunswick,' and addressed to the Secretary of the Department of Public Works, Ottawa.

All blanks are to be properly filled and signatures of the persons tendering must be in their respective handwriting.



## APPENDIX No. 2

Signatures, occupation and post office addresses of parties tendering.

Dated at	this	day of	1903.
Signed by the Contractors in the presence of:			
(Signed) J. H. Baird, witness to signature of Andrew Loggie.	(Signed)	ANDREW LOGGIE.	
(Signed) Geoffrey Stead, witness to signature of Robert Loggie.	"	ROBERT LOGGIE.	
(Signed) A. P. M. Harriman, witness to signature of Francis P. Loggie.	"	FRANCIS P. LOGGIE.	
Signed by the Deputy Minister and Secretary of the Department of Public Works in the presence of:	(Signed)	J. B. HUNTER, <i>Deputy Minister of Public Works.</i>	
(Signed) J. A. Chasse.	"	NAP. TESSIER, <i>Secretary.</i>	

THIS INDENTURE, made in duplicate, this 17th day of the month of August in the year of our Lord one thousand nine hundred and eight

Between Andrew Loggie and Robert Loggie and Francis P. Loggie, all of Loggieville, in the province of New Brunswick, Dominion of Canada, hereinafter called 'the Contractors' of the first first part;

And His Majesty King Edward the Seventh represented herein by the Minister of Public Works of Canada, of the second part,

Witnesseth that the contractors for themselves and their, and each of their heirs, executors, administrators and assigns hereby contract and agree with His said Majesty, His heirs and successors, for and in consideration of the covenants, conditions and agreements hereinafter mentioned, to find all necessary dredge tugs, labour, material, dredging equipment, machinery, vessels, scows, plant, tools, implements and all contingencies whatsoever, and to perform, complete and finish, in every respect to the satisfaction of the said minister in a good and workman-like manner, agreeably to the true intent and meaning of the specification hereto annexed, and marked "A," forming part of these presents, and to the extent and in the situation described, or as may hereafter be directed by the engineer or officer in charge of the work, in the depths of water as shown on the plan or plans prepared for the purposes of the present contract and also forming part thereof,—

All the works required to deepen, dredge out and clear wholly and entirely of all obstacles and materials whatsoever at Dalhousie, in the province of New Brunswick, and at such place or places and in such direction as may be indicated by the engineer in charge of the work, and to such depths and such widths as the engineer in charge may at any time direct or require.

And that the said contractors shall perform the dredging herein contemplated in a complete, proper and satisfactory manner and so as to dredge as many cubic yards of mud, sand clay, clay and sand, clay and boulders, gravel, hard pan or rock, as the case may be, measured on the scow, per day as may reasonably be expected, with a dredge capable of removing, at least sixty yards of ordinary excavation per hour and with proper tug and scows properly manned, furnished with fit fuel and perfectly effective in all respects no allowance being asked for or made for the cost and charges of bringing the plant to the work or for removing it from the same.

And for the purposes aforesaid, the contractors shall work during all the working days continuously 10 hours per day, but not more than 12 hours per day, unless the permission of the engineer in charge of the work be given in writing for the prolongation of the hours of work which permission shall be given only in case the work proceeds to his satisfaction.

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And that no charge shall be made by the said contractors or allowed to them for any time lost or for any damage or loss of the plant from fire, storms or any other cause whatsoever.

And that the said contractors shall deposit the mud and material so dredged out at such place or places as may be indicated by the officer in charge of the works.

And that the said contractors shall commence the work immediately after the present agreement shall have been signed, and shall vigorously and regularly carry on and prosecute the said works and shall provide all the towage incident to the removal from any locality to another, when required and necessary, so as to ensure the completion of the works on or before the close of the navigation of the present year, or to such a day or a date as the said minister may determine.

In consideration whereof, His Majesty represented as aforesaid, doth hereby promise and agree to pay the said contractors or to their heirs, assigns or lawful representative for the actual amount of dredging performed by the contractors (no allowance being made for the time lost or for cost of taking the plant and machinery to the work), and removing the same on completion of work the following rates and prices, namely:

1. For rock (blasted) or boulders exceeding 2 cubic yards at the rate of (\$3.00) three dollars . . . . . per cubic yard, scow measurement, towed to dumping ground. All other materials at the rate of (\$0.50 cts.) fifty cents per cubic yard, scow measurement, towed to the dumping ground.

2. For rock (blasted) or boulders exceeding 2 cubic yards at the rate of (\$....cts....) . . . . . per cubic yard, bucket measurement, cast over 20 feet from cut. All other materials at the rate of (\$....cts....) . . . . . per cubic yard, bucket measurement, cast over 20 feet from cut. The payments calculated on the rate hereinbefore determined to be made monthly if practicable, on the written certificate of the engineer or officer in charge, stating the number of cubic yards of the material dredged out and measured on scow or in situ., and deposited where directed, during the period then ended, and that the work has been performed to his satisfaction; but nevertheless it shall be lawful for His Majesty to withhold from the contractors and retain ten per cent of the several estimates until the entire completion of the said works and acceptance of same by His Majesty, which percentage so retained shall be paid after the said engineer or officer in charge shall have delivered his final estimate.

It is also hereby understood and agreed that if, by the report of the officer in charge, it shall appear that the rate of progress of works is not such as to ensure its completion within a reasonable time or in case of breach of any of its conditions and stipulations herein contained, His Majesty shall have the power, without process or suit at law, to take the work or any part thereof out of the hands of said contractors, and to relet the same to any other contractor or contractors without its being previously advertised or to employ additional or other dredging machines, equipment, workmen and other necessary means and things at the expense of the contractors and in either case the contractors shall be liable for all damages, extra costs and expenditure which may be incurred by reason thereof, and shall likewise forfeit all moneys then due under this contract.

That in the event of the said contractors making default in the payment of the salaries or wages of any foreman, workman or labourer employed by them on the said works, or in paying for any materials delivered on the site or used to or to be used in the construction of the works herein contracted for, and whether or not a claim therefor is filed in the office of the minister, representing His Majesty as aforesaid, then and so often as the same shall happen, it is expressly covenanted and agreed that His Majesty shall have the full right to employ and utilize not

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only any amount or amounts due to said contractors under this contract, but also the security cheque deposited with His Majesty, together with any interest which may have accrued thereon for paying any salaries or wages or any accounts for machinery, plant or materials that may be left unpaid by the said contractors.

The contractors shall give due assistance as may be required for the purpose of enabling the said engineer or the officer in charge of the works to ascertain the quantity of material dredged out and the number of days actually employed in the work in order to make true and correct estimates and statements.

Should any difference of opinion arise as to the construction to be put upon any of the conditions of this contract the same shall be determined by the said engineer alone, and such determination shall be final and conclusive and binding upon the parties of this contract and every of them.

Proviso. The said contractors further agree and hereby bind themselves to pay to the workmen engaged in the said work, such wages as are generally accepted as current in each trade for competent workmen in the district where the works are to be carried out.

Time shall be deemed to be of the essence of this contract.

This contract is hereby, pursuant to the provisions of the 18th section of the Statute, 6-7 Edward VII (1906), Chapter 10, R.S.C., made subject to the express condition that no member of the House of Commons of Canada shall be admitted to any share or part of such contract or to any benefit to arise therefrom.

In witness whereof the contractors have signed and sealed these presents, and the said minister, acting as aforesaid, hath signed his name and caused the seal of the Department of Public Works to be hereunto affixed and the Secretary for the said department hath countersigned the same.

Signed, sealed and delivered by the Contractors in presence of:	(Signed) ANDREW LOGGIE.
(Signed) J. H. Baird witness to signature of Andrew Loggie.	<i>L.S.</i>
(Signed) Geoffrey Stead, witness to signature of Robt. Loggie.	„ ROBERT LOGGIE.
(Signed) A. P. M. Harriman, witness to signature of Francis P. Loggie.	<i>L.S.</i>
Signed, sealed and delivered by the Deputy Minister and Secretary of the Department of Public Works in the presence of:	„ FRANCIS P. LOGGIE,
(Signed) J. H. Chasse	<i>L.S.</i>
	(Signed) J. B. HUNTER,
	<i>Dy. Minister of Public Works.</i>
	(Signed) NAP. TESSIER,
	<i>Secretary.</i>

NOTE.—Contract for work at Loggieville signed on 17th August, 1908, prices, rock, \$3.00; other material 50 cents. Contract for Caraquet work was signed on 17th August, 1908, prices, rock, \$3, other material 41 cents per cubic yard. Specification in each case the same as for Dalhousie work. Dredging at Bathurst and Stonehaven was done under Caraquet tender.

*By Mr. Crocket:*

Q. You did dredging for the department at Loggieville. I mention the amount stated in the Auditor General's Report, \$14,186.90, for the year 1909. Do you know when your firm received instructions to proceed with that work?—A. No, I do not, from my own personal knowledge.

Q. This is only a copy, but it is given to me by Mr. Doody here; it is dated Ottawa, June 27th, 1908:



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JUNE 27th, 1908.

A. &amp; R. LOGGIE, Contractors, Loggieville, N.B.

Your tender for dredging at Loggieville has been accepted Mr. Stead instructed to lay out work. Please begin operations as soon as possible.

(Sgd.)

*Chief Engineer.*

Chg. P. W. D.

(G.N.W. Tel.)

Q. Did that go to Dalhousie?—A. No, sir.

Q. Then there is a telegram of the same date to Geoffrey Stead, Chatham, N.B.

OTTAWA, June 27th, 1908.

203475.

Subj. Loggieville, N.B.

GEOFFREY STEAD,

Resident Engineer,

Chatham, N.B.

A. & R. Loggie's tender for dredging at Loggieville has been accepted Please lay out work immediately.

(Sgd.)

*Chief Engineer.*

Chg. P. W. D.

(G. N. W. Tel.)

Q. Did your firm perform the dredging work?—A. That is as I understand it.

Q. This \$14,000 payment was for the work that was performed under those instructions?—A. And the contract.

Q. Tenders were called for that work, do you remember?—A. Yes, sir.

Q. The record shows that tenders were called, and yours was the only tender?—

A. I do not know that.

Q. You do not know that?—A. No, sir.

Q. It appears yours was the only tender?—A. You can understand it would be a hard thing for us to know it.

Q. Was there an inspector on that work during the whole of the time?—A. Yes, sir, I think so, surely.

Q. Is that George Harper?—A. George Harper was the Inspector one season.

Q. What is George Harper's occupation when he is not engaged in inspecting contracts?—A. I think George Harper has a little store. I do not know what other work he does but I think that is how he makes a living at present.

Q. Where? At Loggieville?—A. Yes.

Q. He has a little store at present? How long has he conducted the store?—

A. I could not be positive as to the date, but perhaps three or four years, or four or five years.

Q. You know him pretty intimately, do you not?—A. Yes, sir.

Q. Now here is a letter which was written to the Honourable William Pugsley, Minister of Public Works (Reads.)

No. 325747.

Subject:—Loggieville, N.B.

SEPTEMBER 24, '08.

HON. WM. PUGSLEY,

Minister of Public Works.

Ottawa.

DEAR SIR,—We find we have not received any payment for dredging done at Stonehaven, N.B., June and July, also dredging done at Loggieville and Dal-

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housie, N.B., in August; also dredging done at Loggieville, N.B., May and June. We think perhaps matters have been overlooked. We would appreciate very much if the department would look into this matter and send us along a cheque.

Thanking you kindly,

Yours faithfully,

(Sgd.) A. & R. LOGGIE.

Q. Do you know anything about that letter?—A. I do not.

Q. You have no doubt that is a copy of the letter sent by your firm to the Minister of Public Works?—A. I do not know that; it may be.

Q. Do you notice there Mr. Loggie, that you sent in a claim for dredging at Loggieville for the months of May and June?—A. Yes, sir.

Q. And you received no authorization to do the work until June 27?—A. More than likely we got no pay then.

Q. Are you able to say whether you got paid or not?—A. I am not.

Q. But you sent in a bill?—A. It appears by that.

Q. Now, here is a letter by Eugene D. Lafleur, chief engineer, on January 13, 1909, to J. B. Hunter, the Deputy Minister of Public Works. (Reads):

OTTAWA, January 13th., 1909.

No. 331243.

Subj: Loggieville, N.B.,

SIR,—I have the honour to transmit herewith a report by Mr. Geoffrey Stead, resident engineer, on an account amounting to \$1,586.90 rendered by Messrs. A. & R. Loggie for dredging performed at Loggieville during the months of May and June, 1908.

Mr. Stead states that it is impossible to get weekly reports for this work as the inspector was not appointed at the time the work was performed, and he does not know just what work was done and could not sign a report.

The captain of the dredge, however, has made on the accounts a declaration before a justice of the peace as to the correctness of the amount charged.

Under the circumstances, I think that the money is due the firm and should be paid. If my recommendation is accepted I would ask that the accounts be rendered to me to be certified in the regular manner and sent in for payment.

I have the honour to be, sir

Your obedient servant,

(Sgd.) EUGENE D. LAFLEUR.

Chief Engineer.

J. B. HUNTER, Esq.,

Deputy Minister Dept. Public Works,  
Ottawa.

Q. That letter states that Mr. Stead had reported there was no inspector on the work in the months of May and June; the work was performed before any inspector was appointed and there was no check kept, and the only voucher was the declaration of the captain, the employe of your firm?—A. Yes, sir.

Q. And he asks that the accounts be sent back to be certified in the regular way, notwithstanding that. Is that the way you understand that letter?

Mr. CARVELL.—Has that anything to do with this witness?

Mr. CROCKET.—That is a letter.

Mr. CARVELL.—The letter speaks for itself.

By Mr. Crocket: •

Q. That appears to be the case, Mr. Loggie?—A. By that letter it does.

Q. Do you say that letter is not a letter of Mr. Lafleur's, the chief engineer of

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the department?—A. It is a very strange thing for you to ask me such a question. How can I tell whether it is Mr. Lafleur's letter or not.

Q. Do you dispute that?—A. I do not dispute it at all.

Q. You have not the least doubt of that?—A. No.

Mr. CARVELL.—We do not claim that Mr. Lafleur did not write the letter. I am satisfied he did, but why take up the time in this way, because if my honourable friend wants to get all these letters in evidence he can put Mr. Lafleur on the stand.

Mr. CROCKET.—I want to call Mr. Loggie's attention to the facts that appear by the return, and ask him what explanation he has.

Mr. CARVELL.—How can you ask this man to explain negotiations of the department?

Mr. CROCKET.—I am asking him to explain how his company did work for two months before there was any authorization.

Q. Here is a letter in the same connection from Geoffrey Stead of the 7th of October, 1908, to the chief engineer. (Reads):

6568

Subj. Loggieville.

CHATHAM, N.B., Oct. 7, '08.

SIR.—I have received your telegram, 'Please reply to my letter 15th September regarding Loggie's account for dredging at Loggieville.'

I have your letter number 6181 of 14th September on this subject, to which I presume you refer, and in which you ask if weekly reports could not be obtained, signed by the Department's Inspector, Mr. G. Harper, of the work charged for by Messrs. A. & R. Loggie.

I have taken the matter up with Messrs. A. & R. Loggie, who explain that as the inspector was not then appointed, he does not know just what work was done, and also could not swear to the reports. The captain of the dredge has made on the accounts a declaration before a Justice of the Peace of the correctness of the amounts charged for; and if you wish, weekly reports can be made out on the regular form with the declaration and signature of the captain that amounts are correct.

I return the accounts, &c., inclosed with your letter.

Yours obediently,

(Sgd.) GEOFFREY STEAD,

*Resident Engineer.*

The CHIEF ENGINEER.

Now, it appears from that that this work was going on without any inspector being appointed, does it not?—A. Yes.

Q. Before there was any authorization to the firm to do the work?—A. That might be so.

*By Mr. Blain:*

Q. Is that man who certified to the account in your employ yet?—A. Whom do you mean?

Q. The captain of the dredge, Foley?—A. He is the captain of the dredge.

Q. He is one of your employees?—A. Now?

Q. I am asking the question, is that man who certified to the accounts still in your employ?—A. Now?

Q. Yes?—A. No, sir.

Q. How long since?—A. Since the dredge quit dredging we have nothing more to do with him.

Q. He is out of your employ now?—A. Yes.

*By Mr. Carvell:*

Q. Did you submit a tender to the department for this work?—A. Yes, sir.



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Q. Was it in response to an advertisement calling for tenders?—A. Yes, sir.

Q. Do you know how many tenders were submitted to the department?—A. I do not.

Q. Did you enter into a contract with the department?—A. Yes, sir.

Q. Will you kindly look at these two documents and say if those are the contracts? (Handing documents to witness).—A. Yes, sir, they appear to be.

Q. By whom are they signed?—A. By Andrew Loggie, Robert Loggie, and Francis P. Loggie.

Q. That 'Andrew Loggie' is your signature?—A. Yes, sir.

Q. And you recognize the signature of the others?—A. Yes, sir.

Q. Do you know anything about this question of some dredging not having been certified to by the Inspector?—A. I do not.

Q. That is all news to you?—A. That is all new. I never knew it before, because I was not there.

Q. Well, do you know whether the firm ever got paid for that work or not?—A. I do not.

Q. You do not know anything about it?—A. I do not. They may or may not. I do not know from my own knowledge.

Q. We might have to take up some time in order to find out. Did the firm get paid for it or not, Mr. Crocket? I presume you will admit it.

Mr. CROCKET.—It has not been paid in the accounts for the year ending the 31st of March last.

Mr. CARVELL.—You will admit the firm were not paid for these amounts not certified, that they were not paid down to the 31st of March last?

Mr. CROCKET.—No. That is, under direction from the department? I want those contracts put in evidence.

Mr. CARVELL.—I have already offered them.

*By Mr. Blain:*

Q. You put in a tender on this work. May I ask which member of your firm makes out those tenders?—A. I do not know. The tender is there.

Q. But they all sign it?—A. Yes, I think the tender is made out by the department.

Q. Did you scrutinize it? Somebody has the responsibility on behalf of your firm?—A. I do not think they have. If I was signing a tender I would scrutinize it for myself.

Q. What I was trying to get at, the three members of the firm sign these tenders?—A. Yes, sir, those are our signatures.

Q. Are we to understand that each of you consult, and go over the tender carefully, or is that work the special work of any one member of your firm?—A. Not the special work of any one member of our firm. If I was going to sign it I would look it over for myself.

Q. I was just assuming one member of your firm would have that special work. It is rather remarkable to me that all the members of the firm have the same work, and that when a tender is to be signed, each of you go over it?—A. Is not that the proper way to do. If I was going to sign a tender, should I not read it over before I sign it?

The CHAIRMAN.—If I understand what Mr. Blain is asking, in your method of doing business, is there not some one member of your firm who paid special attention to these dredging contracts, and who would report to all of you, although you may all read them over, and sign them, yet there would be one who would have special knowledge more than the others?—A. Not necessarily. If they went to Loggieville they would send them to me to sign them, and read them over.

Q. When there is any dispute between your company and the department, who takes that up specially?—A. It is taken up at Loggieville.

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Q. Not by you?—A. If I am there I would take my share of it. If I was not there I would not.

*By Mr. Crocket:*

Q. I understand you have no explanation to offer as to how your dredge was working at Loggieville for a couple of months before you received any authorization?—A. From my own personal knowledge I do not know; therefore I could not offer an explanation of a thing I do not know.

Q. For dredging at Dalhousie, you received \$22,963.50. What was the price at Dalhousie?—A. 50 cents.

Q. There was a tender for that, I believe?—A. Yes, sir.

Q. You were the only tenderer at Dalhousie?—A. I do not know that.

Q. Here is the abstract from the department.—A. What means would I have to know that. We tender for ourselves.

Q. Is not that the only tender here. 'Schedule of tenders as opened for dredging.' That is what is given to me by Mr. Doody of the Public Works Department. You do not know very much about those dredging contracts at all?—A. Mr. Crocket, pardon me, but how could I tell. What part of my duty would devolve on knowing how many tenders were made for a dredging contract to the department?

Q. That would not interest you very much?—A. I do not see why it should.

Q. It would interest you that you got the contract?—A. Yes, it certainly did.

Q. It interested you to the extent of twenty two thousand odd dollars in one season?—A. Yes, sir.

Q. Do you remember when you started that work at Dalhousie?—A. I think when we started that work, when the dredge got there it was about the first part of July.

Q. The first part of July?—A. Yes, sir.

Q. Did you have any knowledge as to where the dredging was to be done when you tendered for the work?—A. Yes, sir, I think so.

Q. Who did you get that information from? I mean what particular part of the harbour. Who did you get that from?—A. Well I really do not know who we got it from. I know we had the information.

Q. You know you had the information, but you cannot say who you derived it from?—A. I cannot say who gave us that information, but I would suppose there would be a plan of the dredging of the harbour attached to the tenders, or it would be done in some way that we would know what the dredging was, before we got the tender for it.

Q. Do you know there was a plan attached to the tender?—A. No.

Q. Did you know to what depth you would have to go?—A. Certainly, there was a plan given to the captain, showing the depth of the water, and where he had to dredge and all about it.

Q. For the tenders, did you have that information?—A. We might have, but I do not know how we got it.

Q. You started to dredge at the deep water wharf?—A. The public wharf.

Q. You did not continue at the public wharf all season?—A. No, sir.

Q. You were put at what is called the Ferry slip in the month of August?—A. I cannot tell from memory.

Q. You took the dredge from the deep water wharf. It is called the deep water wharf, or is it called the public wharf?—A. It is called the public wharf.

Q. You removed it down to the Ferry slip?—A. Yes, sir.

Q. The accounts show that was done on August 17?—A. Would not that be on an order?

Q. Yes, there was an order, and then you removed the dredge to the Ferry slip?—A. Yes, sir.

Q. And you dredged there until the 26th of October, according to the accounts?

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Mr. CARVELL.—I do not think that is correct.

A. I think that is an error on the part of somebody.

Mr. CARVELL.—I went over the accounts just hurriedly and I find where the inspector reports every week what they did. They removed from one place to another.

A. The 26th of October would be wrong, I think. We left Dalhousie to go to Caraquet on the 1st of October. We dredged July, August and September. We could not be dredging on the 26th of October, and be at Caraquet.

By Mr. Crocket:

Q. I may be mistaken.—A. I think you are mistaken, Mr. Crocket.

Mr. CARVELL.—If it is the 26th of anything it is the 26th of September.

Mr. CROCKET.—I think you are right about that. Yes, it is the 26th of September, but from August 17th to the 26th of September, the accounts figure up that at the public wharf you did 22,444 cubic yards, and at the Ferry slip 23,487 cubic yards to the 26th of September. Now, where was the dredging done at the Ferry Slip?—

A. Well it was done in that basin. The exact location would be very hard for me to give you here.

Q. Was not your dredge down along the wharf of the Dalhousie Lumber Company, and the dredging done there?—A. Some of it was.

Mr. CARVELL.—Mr. Crocket, you will find in each one of these weekly reports a statement showing exactly where they worked. It is unreasonable to ask a man a question like that.

The WITNESS.—You asked me the exact location where the dredge was dredging. The whole basin is not large. How can I tell just exactly did they dredge here or there? The report of the captain is the best evidence you can get. I know they dredged along the basin.

By Mr. Crocket:

Q. Along the wharf of the Dalhousie Lumber Company?—A. Certainly, there is nobody disputing that.

Q. Here is a letter from Geoffrey Stead to the chief engineer, of the 4th of September, and I will just put that in now.

No. 6461.

Subj: Dalhousie, N.B.

CHATHAM, N.B., 14th Sept., '08.

SIR,—I have received your telegram of the 1st of September asking when the dredging at Dalhousie would be finished and that at Caraquet commenced.

The dredging required at Dalhousie amounts to about 160,000 cubic yards and would occupy the dredge *Hayward* nearly two seasons.

31,720 cubic yards have been removed this season, i.e., from 10th July to 31st August.

Berths about 75 feet wide, giving about 24 feet at low water outside, and about 20 feet at low water inside were first excavated at the deep water wharf, supplying the most needed accommodation there and since the 17th August, the dredge has been deepening the basin at the new Ferry slip according to directions on the accompanying plan.

Mr. Turgeon, M.P., is very anxious to have the dredge begin work in the channel of the Caraquet Harbour, to enable the new deep water wharf there to be approached by steamers and the dredge *Hayward* was really procured in view of this work.

I have received a letter from the Dalhousie Lumber Company about it, saying the *Hayward* will have dredged a 75 foot strip for a full length of 12 to 13 feet at low water by about the last of September.

As the company was aware that Mr. Turgeon was anxious to have the dredge begin work at Caraquet this year they ask that the *St. Lawrence* be then allowed



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to complete the berth to 20 feet at low water, so that they might be able to build their new wharf or rather new face along the old wharfs, and put up conveyors this winter, and be ready to ship from their present mill which is nearing completion next spring.

Yours obediently,

(Sgd.) GEOFFREY STEAD,  
*Resident Engineer.*

The Chief Engineer.

Q. Now, do you know if, after your dredge, the *Hayward*, left to go to Caraquet and Bathurst, if the government dredge *St. Lawrence* was put on as requested by the Dalhousie Lumber Company?—A. The dredge *St. Lawrence* was dredging at that wharf after we left.

Q. At whose request?—A. Why would I know?

Q. Dalhousie is not a very large town?—A. Surely you, as a gentleman, must think that is an awfully unreasonable question.

Q. I happened to be in Dalhousie this particular time for just a week, and I just took a stroll down to the wharf and saw the dredge at work there?—A. I say it was at work, but the question you asked me was who put her to work.

Q. I am asking if you know that the dredge *St. Lawrence* went in after your dredge left, and did that work for the Dalhousie Lumber Company?—A. I do not know whether she did it for the Dalhousie Lumber Company.

Q. There was a request any way?—A. Yes, I know the dredge *St. Lawrence* was dredging there after we quit. Who authorized her, or who she was doing the work for certainly I have nothing to do with. It is a government dredge.

Q. On September 18, 1908, there is this letter written to Geoffrey Stead, resident engineer, Chatham, N.B. (Reads):

No. 5237

Subj. Dalhousie, N.B.

September 18, '08.

SIR,—I have your letter of the 14th instant with reference to the dredging at Dalhousie, N.B., which you state will be completed in its most important part by the end of the present month.

The dredge employed at Dalhousie will have to be moved to Caraquet as requested by Mr. Turgeon, M.P., at the time specified.

With regard to the work remaining to be done at Dalhousie for the Dalhousie Lumber Company, the matter will have to be brought up by you before the department later on. Please keep in mind that the dredge must be at Caraquet in the first days of October.

Yours obediently

*For Chief Engineer.*

GEOFFREY STEAD, Esq.,  
Resident Engineer,  
Chatham, N.B.

Q. Now, you continued work at Dalhousie during that season did you not? You continued under your contract to dredge at Dalhousie last summer?—A. Are you examining me on 1908 or 1909?

Q. I am asking you if you continued to perform work under your contract at Dalhousie in the summer of 1909?—A. We did.

Q. And you continued work at the Dalhousie Lumber Company's wharf, did you not?

Mr. CARVELL.—Mr. Chairman, I do not think we had better go into the details of this thing now.

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Mr. CROCKET.—I want to know. I think I am entitled as a member of the committee to know.

Mr. CARVELL.—I do not object to that at all. Just tell him what you did.

A. There is no doubt we dredged along that wharf, the same as we did any other place.

Mr. CARVELL.—There is no harm in it. I submit here there is no harm in it. I know what my honourable friend is after. The Minister of Public Works has a small amount of money in that company, and they are dredging for wharfs all over Canada.

Mr. CROCKET.—I do not care whether he had or not. I say we are not here to vote public money for private property. I only ascertained this by performing my duty as a member of this committee.

Q. Was there an inspector on the work at Dalhousie?—A. Yes, sir.

Q. What is his name?—A. Louis Alain.

Q. Do you know him pretty well?—A. Yes, sir, fairly well.

Q. What is his occupation when he is not looking after dredging inspection?—

A. He is inspector; when he was not inspecting the dredges in 1908 he fished salmon and kept a boarding house.

Q. Is it a boarding house, or a hotel?—A. It was not a hotel then.

Q. Has he a license?—A. It was not a hotel; he did not have a license then.

Q. Has he a license to sell liquor?—A. He has a license now, but not then.

Q. But he has a license to sell liquor?—A. A wholesale license, but he had not in 1908. You understand that.

Q. I do not understand, except from what you say. You say he has a license to sell liquor?—A. He has now, but not then.

Q. Did he act as dredge inspector last season as well as in 1908?—A. Yes, sir.

Q. Here is a memorandum of the acting deputy minister, dated June 29th, 1908.

Kindly have Louis Alain from Dalhousie, N.B., appointed as inspector of dredging at that place.

(Sgd.) WILLIAM PUGSLEY.

And the appointment went down through Mr. Pugsley's direction to this gentleman you spoke of? Have you been much on the dredge?—A. No, sir, very little.

Q. Have you been down to the work at all?—A. When do you mean?

Q. When the work was going on last year and the year before. Was it your habit to go down two or three times? Did you go to see how the work went on?—

A. I generally went down every day to see how the work was going on.

Q. You went down every day?—A. Perhaps not every day but almost every day.

Q. Did Louis Alain do all the inspection?—A. As far as I know.

Q. You say that Louis Alain was there every day?—A. As far as I know he was.

Q. What was the name of the captain of the dredge in 1908?—A. It was Foley.

We call him Fred. Fred Foley is the way we style it. What initials he has I do not know. Fred, I think is his name.

Q. Was he captain of the work for 1909?—A. What dredge? The *Hayward*?

Q. Yes?—A. The dredge *Hayward* was not dredging then.

Q. What dredge was dredging at Dalhousie in 1909?—A. It was not the *Hayward*.

Q. What dredge was it?—A. They changed the name to the *Invader*. It was the *Reliable* the first season, and they changed it to the *Invader*.

Q. So you changed it from *Reliable* to *Invader*?—A. We did not change it.

Q. Who owned the dredge?—A. The department changed it.

Q. I understood you to say you had continued your contract dredging in the last season?—A. Yes, sir.

Q. What dredge did you do the work with?—A. At Dalhousie?

Q. Last summer?

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Mr. CARVELL.—He says with the *Invader*. They bought a dredge called *Reliable*. There was another dredge of the same name, and the company could not have two dredges with the same name?—A. It was a dredge we bought in the States. When we asked them to give it that name, they said No, that there was some other dredge that has the same name, and the *Invader* was the name they gave us, and of course we had to change the name.

Q. You did that last season?—A. Yes, last spring.

Q. What is the capacity of that dredge per hour?—A. That I could not swear to. It depends on how a dredge is operated.

Q. Are you not able to state the capacity of the dredge per hour?—A. No, sir.

Q. No idea? Is it good for 100 cubic yards per hour?—A. Well, I would imagine it was good for more than that.

Q. What do you say it is good for?—A. Well I do not know what it is good for. It entirely depends on how it is handled. What are you asking me now?

Q. I was asking you what the capacity of the dredge is and you stated you did not know?—A. I say it depends on how the dredge is operated. The capacity of the dredge depends on how you operate it.

Q. I know it is just as you operate it, but when you speak of the capacity of the dredge, it is the maximum quantity it is supposed to be able to take out under the most favourable conditions. Is not that right?—A. You place the dredge where the water is shallow, you have to get your scows back, and you strike a place where it is too deep, you strike wind, or hard bottom and such conditions as that, so much mud, or so little mud.

*By Dr. Daniel:*

Q. What is the cubic capacity of the dipper?—A. I think the cubic capacity of the dipper when we got it was three yards, and we put teeth on it. You are asking me about 1909?

Q. I am asking about the dredge you referred to in 1909? What was the capacity of the *Hayward*?—A. You referred to it?

Q. No, you mentioned it first. What is the capacity of the *Hayward*?

Mr. CARVELL.—That is in the contract. We have it here.

*By Mr. Crockett:*

Q. I am asking Mr. Loggie?—A. I cannot remember the capacity.

Q. Is it not a fact that the department called for a statement of the capacity of the dredge to be used?—A. I do not know. If it is in the tender it is there.

Q. Did you have any connection with the negotiations for the purchase of this dredge in the States last year, the *Reliable* or the *Invader*? Did you negotiate the purchase?—A. No, sir.

Q. Who did?—A. My brother did.

Q. Is that dredge registered the *Reliable*?—A. Yes, sir, I think so.

Mr. CARVELL.—In order to make this complete, you will find that this specification attached to this contract shows that the capacity of the *Hayward* is from 30 to 35 cubic yards per hour.

Mr. CROCKETT.—I wanted Mr. Loggie's statement on it.

Mr. CARVELL.—He tells you he does not know.

Q. The capacity of the *Reliable* then is larger than the capacity of the *Hayward*?—A. Yes, I would say the *Reliable*, properly operated, would dig more mud than the *Hayward*, but that is only an opinion.

Q. I started this thing by asking you who was the captain on last season's work on this dredge?—A. Dunlop.

Q. What became of Mr. Foley?

Mr. CARVELL.—Does it not appear to you that we have prosecuted the 1909 work as far as necessary?



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Mr. CROCKET.—I want to find out what became of Foley, who was captain in 1908.  
Mr. CARVELL.—He was captain of the *Hayward* at the time.

*By Mr. Crocket:*

- Q. What became of the *Hayward* in 1909?—A. At Caraquet.  
Q. Foley was captain there?—A. Yes, sir.  
Q. And Dunlop was captain of the *Invader* at Dalhousie?—A. Dunlop.  
Q. These dredges have been transferred to a new dredging company that has been incorporated by your firm, have they not?—A. What dredges?  
Q. The dredge *Hayward*?—A. Yes, sir.  
Q. What is the name of that company?—A. The Eastern Dredging Company.  
Q. Who are interested in that?—A. Andrew Loggie, Robert Loggie, Francis P. Loggie, Frederick Foley, Robert Murray.  
Q. Is this the gentleman who is present here all day?—A. Yes, sir.  
Q. A barrister, of Chatham?—A. Yes, sir.  
Q. Are those the only ones interested in that company?—A. The only ones.  
Q. Any stock held in trust?—A. No, sir; they hold all the stock there is.

*By Mr. Carvell:*

- Q. How much does Mr. Murray, this legal gentleman from Chatham, own in this business?—A. If you will allow me to explain——  
Q. Yes, we will?—A. When we went to get that company incorporated——

*By Mr. Daniel:*

- Q. Which company are you speaking of?—A. The Eastern Dredging Company.

*By Mr. Carvell:*

- Q. Not the Maritime?—A. It was necessary to have five members in that dredging plant. There were four of us before that owned 25 per cent each of the shares of that company. It was necessary to have five to make a company, and somebody suggested that we should sell out four or five shares. What is it you have got, Mr. Murray?

Mr. MURRAY.—\$200 worth.

- A. So Mr. Murray put up his cheque for four or five shares whatever \$200 represents, in the Eastern Dredging Company and he is a member to that extent; the balance is owned between my two brothers, Fred. Foley and myself.

- Q. Mr. Murray was your solicitor who looked after the incorporation of the company?—A. Yes, sir.

*By Mr. Daniel:*

- Q. Who do you say composed the Eastern Dredging Company?—A. Andrew Loggie, Francis P. Loggie, Robert Loggie, Frederick Foley and Robert Murray. Robert Murray did the work for us as solicitor, and when he came to get the stock he put up his cheque.

- Q. Does anybody hold stock outside of that in the name of or under the name of those you mention?—A. No, sir. I am telling you who holds the stock.

*By Mr. Carvell:*

- Q. Do you say that the capacity of the *Invader* would be at least as great as the *Hayward*?—A. Yes, sir, I would say so.

- Q. Is it a clam shell dredge or a dipper dredge, or both?—A. Which?

- Q. The *Invader*?—A. The *Invader* is a dipper dredge.

- Q. What kind of material were you dredging in Dalhousie in 1908?—A. With the *Hayward*?

- Q. Yes?—A. Where do you mean, Mr. Carvell?

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Q. What kind of material were you dredging at Dalhousie?—A. I mean at what location?

Q. Any location, and every location?—A. The material at the deep wharf—we call it the Public wharf, would be just a sort of a stiff mud, what I would call a clayey mud. Down at the other end it is sort of clay, and it is what you would style very high digging, as was represented to me by the captain of the dredge.

Q. Were you doing this under contract?—A. Yes, sir.

Q. Were there tenders called for, do you know?—A. Yes, sir.

Q. And did you tender?—A. Yes, sir.

Q. Did you know what was the price?—A. Yes, sir.

*By Mr. Crocket:*

Q. What work is this, Dalhousie?—A. Yes, sir.

*By Mr. Carvell:*

Q. What was the price?—A. 50 cents a cubic yard, towed to the dumping ground.

Q. Will you please look at this and see if this is the contract (handing paper to witness) for the Dalhousie dredging?—A. Yes, sir.

Q. By whom is it signed?—A. Andrew Loggie, Robert Loggie and Francis P. Loggie.

Q. Also by the department?—A. Yes, sir.

Q. I offer it in evidence.

*By Mr. Crocket:*

Q. Do you know anything about the Stonehaven work?—A. All I know about the Stonehaven work is just this, when the dredge *Hayward* was on her way to Dalhousie, somebody—I do not know who, asked the dredge *Hayward* to stop at Stonehaven and dig out what you would style a hollow wharf. Inside that wharf is a harbour for vessels that had got all filled up; they asked us, as you understand it, from the captain, to stop there and dig this out, on her way to Dalhousie, which we did.

Q. What did you get for that?—A. 41 cents.

Q. Who fixed the price?—A. I do not know.

Q. Geoffrey Stead certified it?—A. I have no doubt he did.

Q. It was soft mud?—A. I understood from the captain it was very high digging at Stonehaven.

Mr. CARVEL.—You will find Mr. Geoffrey Stead's letter of the 22nd of June shows what it is.

Mr. CROCKET.—I may be mistaken about Stonehaven.

Q. Have you any personal knowledge of the character of the work?—A. No, no more than what you tell me. I intend to give it to you as honestly as it happened. They said it was a difficult place to dredge. We were towing it out from Loggieville with a large tug boat. They asked us to go in there, and we could not take in a big tug boat. We got a small tug boat, and sent the tug one way and we operated it, and when we got it out we had to tow the big tug back again and get the dredge out. I consider the work at Stonehaven was very unprofitable to us.

*By the Chairman:*

Q. Was there much?—A. It amounted to about \$1,700 or \$1,800.

Mr. CARVELL.—I just want to call your attention to a letter written by Mr. Stead on the 22nd June to the deputy minister (reads):

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Subj. Dredging Stonehaven and Dalhousie.

DEPARTMENT PUBLIC WORKS, CANADA,  
RESIDENT ENGINEER'S OFFICE,  
CHATHAM, N.B., 22, June, '08.

Dear Sir,—

As requested in your telegram of the 19th instant I notified Messrs. A. & R. Loggie on Saturday to have the dredge *Hayward* stop at Stonehaven and dredge the basin inside the breakwater there. I also telephoned and sent his appointment as inspector and instructions to Henry Scott.

Messrs. Loggie did not wish at first to do the work at the price mentioned, 41 cents per cubic yard. It will only take a few days, and two days will be occupied in fitting up and dismantling the dredge, and there will be extra cost for towing. The conditions there, as I telegraphed the chief engineer at his request, on Friday night are to do the dredging required 4,000 yards barge measurement, mud and silt, to give 12 feet at low water, inside breakwater; range of tide 7 feet; present depth 5 to 11 feet at low water. Material to be deposited just outside of the pier from breakwater, if the price appeared to me ample, and I therefore persuaded Messrs. Loggie to do the work at that rate, to which they have agreed.

They ask, however, to be allowed on completion of the dredging at Stonehaven to at once begin their contract at Dalhousie as they will not have supplied coal, and so forth at Caraquet, where they also were awarded the dredging, for about a month.

If the wind has permitted it, the dredge should be in Stonehaven now.

Yours faithfully,

(Sgd.) GEOFFREY STEAD.

*Resident Engineer.*

J. B. HUNTER, Esq., Deputy Minister.

Q. Now, do you say that the statements contained in that as to the character and quantity of the work and the conditions under which it had to be performed are correct?—A. I think so, as far as I know there. As far as my knowledge goes they are correct.

*By Mr. Crocket:*

Q. I notice on the 27th of June the dredge gets credit for 824 yards. Is that pretty fair dredging; that would be a good day?—A. Yes, that would be a fair day. There are days that they did more than that, and a great many days less.

Q. You spoke about Mr. Alain in Dalhousie?—A. Yes, sir.

Q. Do you know how he was recommended?—A. I do not know anything about it.

Q. You do not know anything about it?—A. I do not know how he was recommended as an inspector. What would I have to do with that?

Q. I am just asking you?—A. I do not know.

Q. Do you know if it went from Mr. Reid up?—A. I do not know.

Q. You do not know?—A. I do not know.

Q. You know this man quite intimately?—A. Yes, I am fairly well acquainted with him.

*By Mr. Carvell:*

Q. Has he ever been in your employ?—A. No, sir.

Q. Have you any influence over him or pull on him?—A. No, sir.

Q. The statement was made in the House that he was appointed for certain reasons?—A. I have no influence over him.

*By Mr. Crocket:*

Q. Do you know a man named T. E. Durham, who worked on the dredge?—A. Yes.

Q. How long was he at Dalhousie?—A. I really could not say to the exact time.



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Q. Do you know of him bringing an action against Alain for services, for doing inspection works?—A. I do not, I heard that he did, but it is mere hearsay.

Q. You heard he did?—A. Yes, sir, for making out two reports, as I understand it, that this man Durham filled in two reports for Louis Alain, just did the writing, filled them in for him.

Q. That was before Mr. Truman, he brought the action?—A. I do not know, no more than what I heard.

Q. You heard that, that Mr. Durham brought an action against Mr. Alain for doing inspector's service?—A. I did not.

Q. You have told us?—A. I did not do anything of the kind.

Q. Is not that inspector's services?—A. I am telling you what I understand. I do not know it to be true or not true. Of course you are asking me now on gossip.

Q. I am asking you about something that has been reported to me, and you say yourself you heard of it, that he brought an action against Mr. Alain the inspector, for performing services in connection with the inspection of this dredging work.

Mr. CARVELL.—He has not said that.

*By the Chairman:*

Q. Did you hear what the action was for?—A. Mr. Chairman, I will tell you.

Mr. CARVELL.—Doing some clerical work he says, filling out a report.

A. Yes, that he suggested to him he would do it, as he was a good writer. This is the information I got after it was all over. As a sequel to that I put him off the dredge.

Q. Why?—A. Because he was not a good man; he used to get drunk, and I put him off the dredge, and of course he was put out. This is the gossip part of it, and he went to Louis Alain and made him pay some amount for filling in these two returns.

Q. How much did you hear he made him pay?—A. \$30.

Q. And he did that for filling in two accounts?—A. Yes, that is what was told me.

Q. That is because he was a good writer. Is Alain a good writer —A. I do not know. I never saw any letters that Alain wrote.

Q. That is the explanation you have of that action?—A. I have no explanation of the action. I am only telling you what I heard.

Q. Were not you asked to intervene in this dispute?—A. I was not. It is positively untrue. I state that positively. I never knew that such a thing took place, never heard of such a thing until long after it was all fixed up and over.

Q. But you did hear it?—A. Yes, it was the gossip of the country.

Q. That is the explanation?—A. When I heard of it it was on the train, a matter of gossip; that is positively my first knowledge of it. I had nothing at all to do with making out the men's returns.

Q. Making the men's returns?—A. Yes. If Mr. Alain employed any man to fill in the returns for him, what have I got to do with it.

Q. You have a good deal to do with it, if he does not fill in the returns correctly?—A. I have nothing to do with it whether he fills them correctly or not correctly.

Q. Mr. Durham, who was in your employ that season, filled them in?—A. I do not know whether he was in our employ when he filled them in or not. That I do not know, because I do not know when he did fill them in.

Q. He was in your employ that season, and working on the dredge?—A. He was in our employ that season and working on the dredge.

Q. And an action was brought for filling in those returns?—A. I do not know whether there was any action brought.

Q. You say there was a claim and he settled for \$30?—A. I do not know that. That is pure gossip you are asking me now about.

Q. Have you any doubt about it?—A. I do not know whether it is true or not.

Q. You are not going to deny it?—A. No, sir.

Q. You give it here as something you heard down there?—A. I heard it as the

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gossip of the town. I will tell you what I think. You and I are not going to get into a dispute now. I am speaking to you as a gentleman.

Q. I did not think you thought that?—A. I never expressed anything different.

Q. You got a little hot this afternoon?—A. There is no use for you and I to get disputing about that at all. What I was going to say to you as a gentleman, I think, and I am satisfied to say it before all these people right here, that you have a great deal of information that I believe there is no foundation for. I believe that you have been entirely misled.

Q. I want to tell you right here before this committee that I made no statement in the House and I made no statement here that I have not the proof for. I want to tell you that, and don't you misunderstand me, and I am here doing my duty as a representative of the people inquiring into the accounts, and I am putting questions to find out the truth; and statements you made to-night in connection with this Durham matter is precisely as it was reported to me, and as I stated it in the House, and you do not deny it.

Mr. CARVELL.—Before this closes I would like to ask the witness to examine this paper and tell me if it is signed by him and the members of his firm. The Carquet contract. I want to put it in evidence.

Q. Is this signed by you and your two brothers?—A. Yes, sir.

Q. That is the Carquet contract?—A. Yes, sir.

Q. I would like to have it put in evidence.

Mr. CARVELL.—There is no need of setting out the whole contract. The reporter might give the names and the dates and the amounts and the prices of these contracts. Perhaps if you give them to me, I can make a memorandum of all that.

Mr. CROCKET.—The price is all you want in, I suppose?

Q. Is there anything more required from this witness? Is there any other member of the firm would know anything more about this than you do yourself?—A. No.

Q. Would Francis know any more than you do?—A. I do not see how he would know any more, because you understand how this dredging is done.

Q. I understand that. Would Francis know any more about it than you do?—A. I do not think he would know any more.

Q. What about Robert? Would he know any more?—A. I do not think it. I am telling you what I know myself.

Q. You say you do not know very much about those things?—A. I am telling you exactly what I know.

Q. You cannot tell the character of the work, or checking up the accounts, or anything of that kind?—A. How is that?

Q. Can you tell anything about the character of the work at any of those places, or the checking up of the accounts?

Mr. CARVELL.—He has given you some information.

*By Mr. Crocket:*

Q. Can you check up those dredging accounts? Do you know yourself? Are you able to say that this work was performed, from your personal knowledge, the quantities were removed that have been paid for?—A. From my personal knowledge?

Q. Yes?—A. I think those amounts are correct.

Q. Have you a personal knowledge of it yourself?—A. Of the amount of mud that was dug?

Q. Yes?—A. No, sir. How can I have personal knowledge? There is an inspector to inspect that.

Q. Did the captain make any returns to you of the work for 1908?—A. Not to my personal knowledge.

Q. Did he to the firm?—A. He may have to the firm; I do not know if he did. That would be our private business.

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Q. Do not those accounts come to you? How do they come to Ottawa here?—A. From where?

Q. The accounts that have gone to Ottawa, how do they come here?—A. From Loggieville or from Mr. Stead?

Q. Would they pass through your hands?—A. No, sir.

Q. They would have no personal knowledge at Loggieville of the work at Dalhousie?—A. How do you mean?

Q. Your brothers would have no personal knowledge at Loggieville of the work at Dalhousie?—A. The mud would be dug, and the inspector would inspect it and send his report to Mr. Skead, and these accounts would be kept at Loggieville of the dredging.

Q. Have you got a sort of dredging account, or is it mixed up with the account of your general business?—A. I think it is mixed up.

Q. You do not keep it separate and distinct?—A. I do not think so, but I am not positive of that.

Q. Do you know anything of the capacity of the scows at Dalhousie? How many did you have at Dalhousie in 1908?—A. I think we had two or three; I am not sure which it was; I think it was two or three, or may be two.

Q. Do you know anything about their capacity?—A. I think their capacity is about 100 yards.

Q. About 100 yards?—A. Yes, sir.

Q. That is, full?—A. Yes, sir.

Q. And when you speak of the capacity of a scow, does that mean that that is the maximum that it will carry?—A. Well, it would depend on the material. If the carrying capacity of the scow—

Q. When I speak of the capacity of a scow, what do you understand, the carrying capacity?—A. Yes, sir, that the carrying capacity would be the amount of mud the scow would carry; also if the material was hard, you might heap it up, which would enable you to carry more.

Q. When you say 100 yards, is that for each scow?—A. Yes, sir.

The CHAIRMAN.—Is the witness discharged.

Mr. CARVELL.—Yes, and considering he has worked hard and is a poor man, he should have two days' pay.

Mr. BLAIN.—I suppose there is an understanding he will come back if required?

Mr. CROCKET.—I think he might be discharged. I do not think we will require him again.

Mr. CARVELL.—He can be discharged for the present.

The CHAIRMAN.—Mr. Loggie, you are discharged for the present.

Mr. CROCKET.—I wanted to move that the evidence that was taken in the case of the Richibucto wharf be printed, and also that the evidence with regard to the public building at Richibucto be printed.

The CHAIRMAN.—Is there any objection to that?

Mr. CARVELL.—None whatever.

The CHAIRMAN.—When shall we meet again?

Mr. CARVELL.—It is getting late in the session. Are not there some other matters that have to be investigated that might be taken up in the meantime?

Mr. BLAIN.—There are some other matters. It may be we might ask another meeting earlier than that.

The CHAIRMAN.—On Thursday the committee will meet and it will be understood that dredging matters we have commenced to-day will be the first matter to be taken up.

Dr. DANIEL.—I have precedence to the dredging business and I will be very short. It will be New Brunswick matters, any way.

The committee adjourned.



# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING PAYMENT OF

\$48,274.68 TO MARITIME DREDGING AND CONSTRUCTION COMPANY

IN CONNECTION WITH

## DREDGING AT MAQUAPIT LAKE

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST  
EXCELLENT MAJESTY

1910



## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau river, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 re Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,

*Chairman.*





## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, March 9, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. A. B. Warburton, presiding.

The committee proceeded to the consideration of the payment of \$48,247.68 to the Maritime Dredging and Construction Company for dredging at Maquapit lake, Page V—290, Report of the Auditor General for the year ending March 31, 1909.

Mr. EUGENE D. LAFLEUR, Chief Engineer, Public Works Department, called, sworn and examined:

*By Mr. Crocket:*

Q. Do you remember receiving any instructions, Mr. Lafleur, from the minister or the deputy minister, in reference to the dredging at Maquapit Lake, N.B.?—A. Yes, sir, in the way of calling for tenders for the work.

Q. Do you remember from whom you received the first instruction?—A. Probably from the deputy minister, I could not remember exactly from whom, I know I gave instructions.

Q. Mr. Doody has not the original papers here, but this is a file of the papers he gave me as a copy of the originals that he has in the department. There is a letter here dated May 2, 1908, addressed to E. P. Shewen, resident engineer, St. John, N.B.

SIR,—The honourable the minister desires that a report be obtained on the dredging required at Maquapit Lake. He states that you have already conferred with Colonel McLean on the subject and that you know the locality. You will please, therefore, let me have this report as soon as possible.

Yours obediently,

*Chief Engineer.*

Q. That is your letter sent to Mr. Shewen, resident engineer, St. John?—A. Yes, sir.

Q. And this (document produced) is Mr. Shewen's report of the 9th of May, 1908. I want to put that in. (Reads):

ST. JOHN, N.B., 9th May, 1908.

SIR,—With reference to your letter No. 2217 of the 2nd inst., I beg to say that Maquapit lake is entered from Grand lake by one of those deep narrow channels, which are locally known as thoroughfares. Another of these channels connects Maquapit lake with French lake. These two lakes, together, open a stretch of good farming country 7 miles in length.

Although there is deep water in the thoroughfare, first mentioned, the entrance to it, from Grand lake, is obstructed by the flats at the southwest end of the lake.

In October, 1905, dredging was begun there, near the end of the season, and a little work was performed. There still remains a quantity of 30,481 cubic yards

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to be taken out, before the 7-foot channel through the flats at Grand lake to the thoroughfare, leading to Maquapit lake, will be completed.

After passing through the thoroughfare, into Maquapit lake, there is a short shoal, about 200 feet long, involving 1,700 cubic yards of excavation.

Maquapit lake is about a mile and a half in length, and while we have soundings at both ends, there is a distance of a mile in the middle where none have been taken, where it is possible there is dredging to be done.

I inclose two plans, showing the proposed channel from Grand lake to Maquapit lake, and the thoroughfares leading into Maquapit lake and French lake.

Yours obediently,

E. T. P. SHEWEN,  
*Resident Engineer.*

The Chief Engineer,  
Public Works Department, Ottawa.

Q. You observe there that the resident engineer at St. John said: 'There remains a quantity of 30,481 cubic yards to be taken out?'—A. Yes, sir.

Q. Before the seven-foot channel through the flats at Grand lake to the thoroughfare leading to Maquapit lake will be completed, and then there is an additional quantity of 1,700 cubic yards of excavation?—A. Yes, sir.

Q. Just take the Auditor General's report, Mr. Lafleur, and tell us how much has been paid for.—A. At V-290 of the Auditor General's Report, 'Dredge *Saugus*, dredging at Maquapit, June 13-Oct. 29: spoil removed, 87,714.7 c. yds. at 50c.; trenching, 13,171 c. yds. at 33½c., total, \$48,247.68.'

Q. And the statement of the resident engineer was that there were 30,481 cubic yards to be removed to complete the work and an additional 1,700 cubic yards?—A. Yes, sir.

Q. Or a total of 32,181 cubic yards, and the contractor was paid for 87,714 cubic yards of spoil removed, besides 13,171 cubic yards of trenching?—A. Yes, sir.

Q. Now you might read that memorandum that you have there in connection with the appointment of inspectors.—A. (Reads):

'OTTAWA, June 6, 1908.

*Memorandum to Acting Deputy Minister.*

Kindly appoint Peleg J. Smith, of Blissville, Sunbury county, N.B., inspector for dredging work to be done by John E. Moore at Maquapit Lake and Oromocto Shoals. I know Mr. Smith to be an active intelligent and thoroughly reliable man. In notifying him of his appointment, please send all necessary instructions including the printed circular.

WILLIAM PUGSLEY.'

Q. And he was appointed inspector, I think, in pursuance of that?—A. Yes, sir. I issued instructions on June 9th, 1908, to Mr. Shewen to appoint Mr. Smith.

Q. Does the Auditor General report there the date when this dredging was begun and when it was concluded?—A. Yes, sir. It commenced on the 13th of June and concluded on the 29th of October.

Q. You can tell me how many dredging days there were between the 13th of June and the 29th of October—you do not count Sundays I notice?—A. No, we do not count Sundays.

Q. This is a statement I have made after going over it, there were 15 days in June?—A. There will be 15 days in June apart from Sundays.

Q. And there were 27 in July, 26 in August, 26 in September, and 24 in October?—A. Yes.

Q. That makes a total number of dredging days of 118?—A. Yes, sir.

Q. I took this from the weekly returns. That is 118 days, dredging days, in the total?—A. Yes.



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Q. Just turn to the Auditor General's report at page V-283 and see for how many days the inspectors received wages. Take Mr. Dykeman, I think he is the first here, how many days does Mr. Dykeman get?—A. Mr. Medley Dykeman, 10 days at \$5.00 per day.

Q. That is at Maquapit Lake?—A. That is for 'Services at Maquapit Lake, N.B.' It does not say for dredging.

Q. Well the returns say it is for dredging. It is under the heading, 'Dredging Maritime Provinces. Inspectors of Dredging'?—A. Yes, sir.

Q. And Mr. Medley Dykeman appears there for 10 days inspection?—A. Yes.

Q. At Maquapit Lake?—A. At Maquapit Lake.

Q. Now take Mr. J. W. McMulkin, how many days has he?—A. 78 days.

Q. For inspection at Maquapit Lake?—A. 'Services at Maquapit Lake, N.B.'? And Mr. Smith, on the next page you will find him.—A. Roy A. Smith?

Q. No, Peleg J. Smith.—A. 'Peleg J. Smith: Services at Maquapit Lake, 97 days at \$3.00 and 17 days at \$2.50.'

Q. That is 114 days for him?—A. Yes.

Q. At Maquapit?—A. Yes.

Q. That makes a total, does it not of 202 days' inspection?—A. I will have to figure that up.

Q. There are 114 days for Smith, 78 days for McMulkin, and 10 days for Dykeman?—A. 202 days.

Q. 202 days' inspection and 118 dredging days?—A. That would seem to be correct if the Auditor General's Report is correct.

Q. And those are the gentlemen who put in these accounts—well, I will just give you the accounts that are put in, these are from the Auditor General's file here. This is Mr. Smith's first account, dated July 1st, 1908. (Reads):

## DEPARTMENT OF PUBLIC WORKS, CANADA.

River St. John Tidal Dredging (Maquapit Lake, N.B.)

Dr. to PELEG J. SMITH,

P. O. Address, Scotchtown,

Queens Co., N.B.

1908.

July 1	To services as inspector of dredging at Maquapit Lake, river St. John, N.B., during the month of June 17 days at \$2.50 per day . . . . .	\$42 50
	Attached . . . . .	6 70
		<hr/> \$49 20 <hr/>

I certify that the applicant has been on duty during the whole period for which payment is asked.

PELEG J. SMITH.

J. M. Chalifour,  
for Chief Engineer.

Certified prices fair and just

E. T. P. SHEWEN.

and then attached is a voucher for \$6.70 for expenses, which is also certified to in a similar manner. I just want you to take these and see how many days are certified for in June, that is the June lot there (documents handed to witness). There are the weekly sheets, just count and see the number of days there?—A. 19.

Q. No, this is June here?—A. 15.

Q. 15 days?—A. Yes.

Q. And he certified for 15 days in June, and there were only 15 days dredging in June?—A. That is apart from the Sundays.

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Q. Yes, apart from the Sundays, and he certified there, to begin with, in his June account for 17 days.—A. That is including Sundays.

Q. Does the department pay for Sundays?—A. Not as a rule, no, sir.

Q. Not as a rule?—A. Not as a rule.

Q. They appear to have done so in that case?—A. There may be exceptions when a man is working far from his home, then we pay for Sundays.

Q. They have not paid for Sundays in other cases. Sundays are cut off usually, but in this case that is an exception, is it, they paid him for Sunday?—A. That must be an exception, yes, sir.

Q. Here is another account for expenses:

June 13, to railway fare to Fredericton, \$1.15; hotel, 50 cents, return fare on the boat, \$1.25, boat hire from Lower Gemseg to Indian Pt., \$2.00; hotel, 60 cents, boat hire, 20 cents; Magistrate's fees (affidavit) \$1.00—\$6.70. I certify that the whole of these expenses were incurred upon government business.

PELEG J. SMITH.

That account is also certified by J. M. Chalifour for chief engineer and by E. T. P. Shewen, the resident engineer?—A. Yes.

Q. Mr. Chalifour is in the department here?—A. Yes.

Q. And it is also certified by E. T. P. Shewen?—A. By E. T. P. Shewen, the resident engineer.

Q. Now take his July account, that last account I showed you is his expense account on coming to the work on the 13th of June?—A. That explains what I was telling you, he was paid for Sundays because he was away from home.

Q. Now, there is his July account, 'River St. John tidal dredging Maquapit Lake, to Peleg J. Smith, Scotchtown, Queen's county, N.B., 33 days at \$3.00 per day, \$99.' and then there is written in in red ink under that charge, 'Six days, being overtime while dredge was working 16 hours a day.' Do you know whose writing that is, is it the resident engineer's?—A. It is either the resident engineer's or one of his clerks.

Q. (Reads). 'I certify that the applicant has been on duty during the whole period for which payment is asked,' and that is signed by the claimant himself, Peleg J. Smith, and there are all sorts of certificates here. 'Prices fair and just,' 'Work performed, materials delivered, measured and received by E. P. Godwin,' 'Certified prices fair and just, E. T. P. Shewen, resident engineer.'—A. Yes, sir.

Q. So that in the month of July he received pay for 33 days—A. Yes.

Q. And in that month, as I have pointed out, there were just 27 dredging days?—A. He was paid for Sundays and three days' overtime.

Q. Are you sure about that?—A. He must have been, there is no other explanation for it.

Q. Now then you have the accounts for July; that is signed by Peleg J. Smith from July 1st to July 4th, four days there?—A. Yes.

Q. And here is the next account from July 6th to July 11th, on the 11th there was no work done, they were repairing all day, but there were six days there?—A. They only return the working days, it is not necessary to return the Sundays.

Q. There are six days there?—A. Six days there.

Q. From July 3rd to July 18th, signed Peleg J. Smith, that is 16 days, is it not, 4 and 6 and 6?—A. Yes.

Q. That he certified to in that month?—A. Yes, that is working days.

Q. Now, then, beginning on July 20th, to July 25, 6 days, that is signed by J. Willard McMulkin for inspector?—A. Yes, sir.

Q. And from July 27th to August 1st, you are just taking July, cutting out the last day, it is 5 days there, and that is also certified to by J. Willard McMulkin?—A. Yes, sir.

Q. Mr. Smith's name does not appear there at all in connection with the dredging that took place from the 20th of July to the 1st of August, that is correct,

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is it not? Mr. McMulkin was paid for inspection from the 20th of July to the 1st of August—we know how it is in the Auditor General's report, but there are the returns, is not that correct?—A. That it is certified to by J. Willard McMulkin instead of Mr. Smith?

Q. And Smith was paid for inspection from the 20th of July to the 31st of July? —A. Let me see that account please.

Q. There is McMulkin's account for it, 11 days, and there is Smith's account for 33 days. That is correct, is it not, Mr. Lafleur, that so far as the weekly dredging returns are received Mr. Smith's work ceased on the 18th of July. Mr. McMulkin took it up on the 20th of July and carried it through until the end of the month, and certified the accounts, and he was paid for 11 days' inspection, is not that correct?—A. Yes.

Q. And 'Mr. Smith, who has an account for 33 days in that month, his work stopped, as shown by these returns, on the 18th of July?—A. Are there any other returns covering the same period?

Q. No, these are the returns you gave us, and they take up the whole of July, first, second, third, fourth, sixth, seventh and so on.—A. Yes, but are they any other returns for the same week covering that work?

Q. No, these are the only accounts.—A. I mean not the accounts, but the returns.

Q. No, these are all the returns I have, I have gone over them all, that is quite evident his work ceased on the 18th of July.—A. According to these returns it does.

*By Mr. Carvell:*

Q. That is according to the returns Mr. Crocket has shown you?—A. Yes.

*By Mr. Crocket:*

Q. And which returns cover the whole of the month of July from the 1st of July to August 1st, every day is covered there, is it not, by these returns I have.—A. Yes, but if it is a double shift working these returns would not cover the work of the other shift.

Q. Do you know of any other returns?—A. No, I do not, but there must have been, because there was a double shift working, the accounts show it.

Q. Six days of Mr. Smith's 33 days are put in as overtime, and the returns show that he was on duty, I think, from the 1st of July to the 18th of July. Now, take the month of August. This is Mr. Smith's bill for the month of August, dated on September 3rd. (Reads):

'To services as inspector of dredging during the month of August, 26 days at \$3.00 per day, \$78.00; double time for the 1st and from 10th to 15th and from 24th to 29th dates included.

I certify that the applicant was on duty for the whole period for which compensation is asked.

PELEG J. SMITH.'

Now he puts in a bill there for 26 days, which includes double time for the 1st of the month and double time for the week from the 10th to the 15th and double time for the week from the 24th to the 29th, that is correct, is it not?—A. Yes, according to the accounts.

Q. Now, here is McMulkin's bill for the month of August:

'August 31 To services as inspector of dredging at Maquapit Lake during the following days in August 1, 3, 4, 5, 6,—'

Mr. Smith received pay for double time on the 1st of August and the other inspector was paid for the same day. That appears to be so from this account, does it not?—A. From these accounts it would appear to be so, sir.

Q. Then Mr. Smith's accounts are for double time from the 10th to the 15th, and Mr. McMulkin's account covers every day from the 10th to the 15th also. (Reads): '10, 11, 12, 13, 14, 15.'—A. Yes, sir.



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Q. And from the 24th to the 29th Mr. Smith claimed double time?—A. You might let me see the returns for those weeks.

Q. Yes, I am going to show you the returns.—A. But before I answer.

Q. Yes, you can answer this question, I am only asking you as to the account.—

A. Oh, as to the account, yes.

Q. From the 24th to the 29th Mr. Smith claimed double time also?—A. Yes.

Q. And Mr. McMulkin claimed and received pay for the 24, 25, 26, 27, 28 and 29 of August also?—A. Yes, sir.

Q. Now there is the 1st of August, that is in the last account, it ends with 5 days in July and the 1st day in August. That account is certified by J. Willard McMulkin?—A. Yes, sir.

Q. And Mr. Smith claimed double pay for that day, the 1st of August?—A. Yes, sir, that is night work, I suppose.

Q. And what was McMulkin paid for?—A. Day work, I imagine.

Q. But Mr. Smith got double time, he got night and day.—A. Oh, he did not get night and day.

Q. What is double time?—A. You will see it on another account in which 16 hours a day is counted as double time.

Q. I have the number of hours here too.

*By Mr. Carvell:*

Q. Is that your explanation of what double time is, is that customary in the department?—A. Yes, sir, whenever a man works more than 10 hours a day, which is the regular working hours on a dredge, if he works 13 or 14 hours it is customary to give him an allowance for it, and if the government or the department think that double the salary should be given it is given.

Q. Is it not customary in all mercantile firms that men get at least pay and a half for overtime, or do you know about that?—A. I do not know about that.

*By Mr. Crocket:*

Q. Coming to the 1st of August which was certified by J. Willard McMulkin, Mr. Smith had nothing to do with that inspection or certificate, had he?—A. Not according to that.

Mr. CARVELL.—That is night-work, you must know that.

Mr. CROCKET.—If you can produce any other certificates than these I will be very glad for you to produce them, but there are no others.

*By Mr. Crocket:*

Q. So that Mr. Smith was paid at that time for that day when he had nothing at all to do, so far as the certificate of inspection is concerned, as shown by the inspection returns of the work that had been done.—A. As far as the returns show, no.

Q. And Mr. McMulkin was paid for that day. Now here is the return for the week from the 10th to the 15th,—from the 3rd to the 18th was certified to by J. Willard McMulkin.—A. Yes, sir.

Q. And he was paid for that number of days?—A. Yes, sir.

Q. From the 10th to the 15th was certified to Peleg J. Smith?—A. Yes, sir.

Q. From the 17th to the 22nd is certified by J. Willard McMulkin?—A. Yes, sir.

Q. He had nothing to do with that at all?—A. Who had?

Q. Mr. Smith had nothing to do with the certification of that week's work?—

A. According to the returns shown me there he had not.

Q. With reference to the period from August 10th to August 15th certified to by Mr. Smith, Mr. McMulkin had nothing to do with the return or with the inspection?—A. According to the return he has not.

Q. Yet he was paid for those days from the 10th to the 15th of August?—A. Yes, sir.

Q. And he certified that he was on duty during all the time for which he claimed compensation?—A. That is in the certificate.

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Q. As Mr. Smith certified that he was on duty all the time. Now from the 24th to the 29th of August is certified by Peleg J. Smith?—A. Yes, sir.

Q. Mr. McMulkin had nothing to do with that inspection for those days as shown by the return?—A. As shown by the return he certainly did not have anything to do with it.

Q. But he was paid for those days, was he not?—A. Yes, sir.

Q. And August 31st is certified by J. Willard McMulkin?—A. Yes, sir.

Q. That is the August return. Now here is Mr. Smith's account for September. (Reads):

Oct. 1 To services as inspector of dredging (Maquapit Lake, Queen's county, N.B.) 26 days at \$3.00 per day, being double time from the 7th to 14th and from 21st to 26th, dates included... .. \$78 00

*Dredge Saugus.*

I certify that the applicant was on duty the whole time for which payment is asked.

And on that appears the usual certificate, 'Prices fair and just, E. B. Godwin,' 'Work performed, materials delivered, measured and received by Peleg J. Smith, foreman'; 'J. M. Chalifour for chief engineer'; and 'Certified, prices fair and just. J. K. Scammell, resident engineer.' Then there Mr. McMulkin's account for September. (Reads):

Sept. 30 To services as inspector of dredging at Maquapit Lake during the following days in September 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 28, 29 30.  
Total 26 days at \$3.00... .. \$78 00  
1 22  
\$79 22

I certify that the applicant has been on duty during the whole period for which payment is claimed.

J. WILLARD McMULKIN.

and there are the usual certificates on that voucher. That is the same, it seems to me, does it not to you, as for the month of August?—A. I think there was night work all through this work.

Q. But Mr. Smith, in his account, makes up his 26 days by putting double time in from the 7th to the 14th and from the 21st to the 26th, that appears to be so from his account.—A. They might have been days when he worked more than his 10 hours, and he would put in his double time.

Q. And he makes 26 days up by getting double time for those two weeks?—A. Yes.

Q. Now, Mr. McMulkin claims and was paid for the same week, for every day from the 21st to the 26th.—A. Every day or every night, whichever he worked.

Q. And he was also paid for every day from the 7th to the 14th.—A. Yes, sir.

Q. For which Smith claimed double time?—A. Yes.

Q. Now, that (document handed to witness) is the first September return, from the 1st to the 5th, certified by J. Willard McMulkin?—A. Yes, sir.

Q. And he was paid for that inspection. The second return from the 7th to the 12th is certified by Peleg J. Smith?—A. Yes, sir.

Q. Mr. McMulkin, so far as this return is concerned, had nothing to do with the inspection from that week?—A. As far as the return shows, no.

Q. He had nothing to do with the inspection for that week, but he was paid for the inspection for that week while Smith was paid for double time?—A. Yes, sir, and I can see that the double time was justified from the different number of hours.

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Q. What do you make the hours?—A. Here I see from the 7th to the 14th he claims double time, and the return shows here that the working hours were 14, 13, 13, 13, 13 and 12.

Q. And he got paid double time for all those hours, and McMulkin got paid for the same days?—A. Not for the same days, but perhaps for the night of the same days.

Q. For the night of the same days?—A. Yes, sir, if there were double shifts on there would be two inspectors, and evidently there were double shifts.

Q. But McMulkin had nothing to do with this inspection at all so far as this return shows.—A. So far as the return shows he had not.

Q. And you know that these returns are the returns upon which payment was made to the contractor?—A. Certainly.

Q. You do not know of any other returns than these?—A. I do not know of any but there may be others for all I know.

Q. The return from the 14th to the 19th is certified by McMulkin?—A. Yes, sir.

Q. And Smith had nothing to do with the inspection?—A. I suppose not.

Q. And now, Mr. McMulkin's hours are 13, 14, 8, 14, and 13, but he did not get double pay for all those hours?—A. Not according to the account.

Q. And from the 21st to the 26th is certified by Smith again?—A. Yes, sir.

Q. And McMulkin had nothing to do with that inspection?—A. No, sir, according to the return.

Q. Yet he claimed that and was paid for it?—A. Yes, sir.

Q. From the 28th to the 30th is certified also by McMulkin?—A. Yes, sir.

Q. And he was paid for it?—A. Yes, sir.

Q. And Smith had nothing to do with the inspection?—A. I suppose not.

Q. So that in the month of September then we have each of them getting 26 days according to these accounts?—A. According to these accounts, yes.

Q. Now, there is just one other for the month of October. This (document handed to witness) is Mr. Smith's bill.

Nov. 18 To services as inspector of dredging for the month	
of October, 1908 at entrance to Maquapit Lake, 12	
days at \$3.00 per day being double time for the week	
from 5th to 10th.. . . . .	\$36 00

Dredge *Saugus*.

I hereby certify that the applicant was on duty the whole time for which payment is asked,

PELEG J. SMITH.

With the usual certificates. I am going to refer to this letter afterwards (indicating document). Then there is McMulkin's bill for the same month?—A. Yes.

Q. (Reads):

Oct. 31 To services as inspector of dredging at Maquapit Lake	
during the following days in October. 1, 2, 3, 5, 6, 7,	
8, 9, 10, 12, 13, 14, 15, 16, 17. Total 15 days at \$3.00	\$45 00

I certify that the applicant has been on duty during the whole period for which payment is claimed.

J. WILLARD McMULKIN.

Now, Mr. Smith in his account claims payment from the 5th to the 10th?—A. Yes, sir.

Q. And Mr. McMulkin claims and is paid for the 5, 6, 7, 8, 9 and 10, the same days?—A. Yes, sir.

Q. Only Mr. Smith claims and he receives double time pay for those dates?—A. Yes, sir.

Q. Now, here is a letter that I find on the file dated St. John, N.B., 13th January, 1909. (Reads):



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‘Mr. E. B. GODWIN,  
Asst. Gen’l Supt. of Dredging,  
Public Works Dept.,  
Ottawa.

DEAR SIR,—In reply to your communication of the 11th instant, *re* account of P. J. Smith, inspector of dredging at Maquapit Lake, for services during the month of September, 1908, I would explain that there were two inspectors on that work one to relieve the other, and instead of each man taking his shift for the day, one man took the double time for each day during the week and laid off on the successive week, thus making the account as stated.

Yours truly,

(Sgd.) J. SCAMMELL,  
*Resident Engineer.*’

Do you think that explains satisfactory these accounts?—A. I think so, in a very great measure.

Q. Do you think it explains it? Take the October account, Mr. Smith claims double time from the 7th to the 14th?—A. Yes, sir.

Q. And he received pay for it, and according to that letter the explanation is, is it not, that he took the whole time and laid off the following week. And while he received double time for that work does not Mr. McMulkin receive pay for the same week and for every day in the week?—A. According to these accounts he does.

Q. And that is true of the monthly accounts that I have called attention to, the one overlapping the other?—A. Yes, sir.

Q. And these gentlemen have certified that they were on duty for the whole time for which they claimed compensation?—A. According to these certificates and vouchers.

Q. And this is the Peleg J. Smith, of Blissville, in regard to whom we have the certificate of the Minister of Public Works, ‘I know Mr. Smith to be an active, intelligent and thoroughly reliable man.’ Now these are the inspectors, are they not, who estimate and return the quantities of materials for the Maritime Dredging and Construction Company, and upon those returns the company is to be paid and was paid?—A. Yes, sir.

Q. Now in the month of October there was another inspector put on. We observe that Mr. McMulkin’s bill goes up to the 17th of October. Now here is a bill from Medley Dykeman, (Reads):

October 31. For service on dredge *Saugus* as inspector for both J.

Willard McMulkin and P. J. Smith from October 19 till October

29th, 10 days . . . . . \$10 00

\$5 a day . . . . . 5 00

Total amount . . . . . \$50 00

I solemnly declare this to be correct.

MEDLEY DYKEMAN.

A. Yes, sir.

Q. He received double pay?—A. That is not it, not exactly.

Q. Well, for services on the dredge *Saugus* as inspector for both McMulkin and Smith from October 19th to the 29th?—A. He received at the rate of \$2.50 per day, and the others were receiving \$3 per day.

Q. And he gets \$5 per day?—A. Yes.

Q. October 19—now these are the returns, sent in in the month of October, beginning on October 19th by Mr. Dykeman; from the 19th to the 24th is the first report?—A. Yes, sir.

Q. And the second is from the 27th to the 29th?—A. Yes, sir.

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Q. That is nine days.—A. Nine days.

Q. And his time is running from 9 hours, 13, 13, 13, and 8 in that week, in a day; and then 11 hours, 13 hours and 13 hours?—A. Yes, sir.

Q. So that, as you have shown there were 118 dredging days from the 13th of June to the 29th of October?—A. Yes, sir.

Q. And there were 202 inspection days paid within that time?—A. That is counting night and day work.

Q. Now, are these originals or copies (documents produced). That is the specification and tender?—A. These are copies.

Q. I put in this copy, but I want to find out when this contract was executed, and when the tender was put in?—A. On the 14th of August, 1908.

Q. On the 14th of August, 1908, the contract was executed?—A. Yes, sir.

Q. And the work was begun on the 13th of June?—A. On the 13th of June according to the return.

Q. And this is the specification and tender, 50 cents was the rate for all other materials and \$17 per cubic yard for rock blasted?—A. Yes, sir.

Q. And 50 cents per cubic yard, scow measurement, towed to dumping ground, for all other material?—A. Yes, sir.

Q. And 50 cents per cubic yard, bucket measurement, cast over, 20 feet from cut, for all other materials?—A. Yes, sir.

Q. Now in this specification and tender the company declares:

We declare that we have, on the date of filing of this tender, the following named plant duly registered in Canada for the performance of the works tendered for. Name of dredge *No. 1*, tug *Lord Kitchner*, *Lord Wolseley*, *Lord Roberts*, *Mildred*, scows, 26.

A. Scows, 26, yes.

Q. Does that mean capacity of the scows (indicating document)?—A. No, the capacity of the scows is shown here, 125 yards each.

Q. That is the capacity of the scows?—A. Of each scow.

Q. And what is the capacity of the dredge per hour?—A. 100 yards.

Q. Do you know if the Maritime Dredging and Construction Company have a dredge, *No. 1*, registered in Canada?—A. I could not tell you that.

Q. You do not know that they have?—A. No, sir.

Q. Well, we will get the register over here. Now, in the tender here the dredge that the contractor mentioned as the dredge which was to perform the work was dredge *No. 1*?—A. Yes.

Q. But the dredge *Saugus* performed the work according to these returns, as you know?—A. According to these returns, yes, sir.

Q. Now there is no date at all on this tender and specification?—A. No, sir, there is not.

Q. Have you got the original file here, your own file?—A. No, sir, I have not.

Q. I want to put in what Mr. Carvell referred to as the authorization for night work. Here is the memorandum: It is dated at Ottawa, July 3, 1908. (Reads):

‘MEMORANDUM TO ACTING DEPUTY MINISTER:

‘The Maritime Dredging Company is desirous of having the dredge work at night. My information is that it is equipped with electric light. Kindly have Mr. Willard McMulkin, of Upper Gagetown, appointed night inspector of dredging, Maquapit lake. Mr. McMulkin was previously employed and I am informed that he is a thoroughly honest and reliable man.’

There is no signature there, do you remember who this was from?—A. That is a memorandum to the acting deputy minister.

Q. From whom?—A. Presumably from the minister.

Q. And on the 14th of July you telegraphed to Mr. Shewen, as follows:

## APPENDIX No. 2

*Telegram from the Chief Engineer's Office.*

## PUBLIC WORKS DEPARTMENT,

E. T. P. SHEWEN,  
Resident Engineer,  
St. John, N.B.

OTTAWA, July 14, 1908.

Please appoint McMulkin as inspector of dredging at Maquapit and permit Maritime Dredging Company to do night work. Letter of ninth instant to McCordock should have been sent to you.

*Chief Engineer.*

A. Yes, sir.

Q. And you see from the Auditor General's Report, Mr. Lafleur, that the Maritime Dredging and Construction Company was paid for 87,714 cubic yards of spoil removed and 13,171 cubic yards of trenching?—A. Yes, sir.

Q. Whereas Mr. Shewen stated in his report of the work that there remained to be done 30,481 cubic yards and another lot of 1,700 cubic yards, or a total of 32,481 cubic yards?—A. Yes, sir.

*By Mr. Carvell:*

Q. Mr. Lafleur, would that estimate refer to the material in situ or scow measurement?—A. That would be in situ according to the report.

Q. And what ought it to amount to when taken out in scow measurement?—A. It is usually one-third more.

Q. That is the experience of the department?—A. That is the experience from a great many works.

Q. When was this estimate made, do you know? I find the date here is the 9th of May, 1908?—A. Yes, sir.

Q. Do you know whether any work was done other than that referred to in Mr. Shewen's estimate of the 9th of May, 1908?—A. Not to my knowledge.

Q. Have you a personal knowledge of exactly where this dredging work was done?—A. No, sir, I have not.

Q. I notice according to the papers here that they were authorized to do work both at Maquapit lake and the Oromocto shoals?—A. According to the letters they were.

Q. Do you know whether Maquapit lake and Oromocto shoals would be in the same locality?—A. About the same.

Q. I will change the question to this form: Would the Oromocto shoal work be included in Mr. Shewen's estimate of May 9, 1908?—A. Certainly not.

Q. Then any work done there would not have been included, and would be outside the estimate of Mr. Shewen?—A. Certainly.

Q. Do you know whether any work was done at the Oromocto shoals that year by these contractors?—A. I could not tell you.

Q. Will you look into that matter and give us the information later on?—A. Yes, sir.

Q. My honourable friend referred to the fact that this contract is dated the 14th of August, 1908?—A. Yes, sir.

Q. Would it necessarily follow that because the work commenced some time in June they did it before they were authorized to do so?—A. They must have been authorized to do so before the work was laid out.

Q. And the actual signing of the contract might be much later than the actual awarding of the contract?—A. It may have been delayed, yes.

Q. Have you any information on that point with regard to this contract? I suppose as a matter of fact it always is, is it not?—A. Yes, it is generally the case.

Q. Would there be any correspondence in the department which would show the



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date of the receipt of this tender? The tender does not seem to be signed or dated itself?—A. Certainly, there will be some, sir.

Q. Will you kindly look into it and give us that information?—A. Yes.

Q. Have you the information here to tell us when tenders were called for and how they were advertised—?

Mr. CROCKET.—And the number of tenders.

Q. And the number of tenders, if my hon. friend wishes it.—A. I might give that to the committee, I have a memorandum here to the effect that the only tender received was that of the Maritime Dredging and Construction Company at 50 cents.

Q. And you cannot tell us from that when the tenders were called for?—A. No.

Q. Were they advertised for in the usual way?—A. Tenders were called for by public advertisement.

Q. Then there is no doubt that the work was not performed until after they were authorized to do so as a result of being the lowest tenderer?—A. I presume so, sir.

Q. Now, as to the two inspectors: I wish to put in evidence, Mr. Chairman, all the correspondence with the department, on the file, regarding the extra work. First of all, is it customary in your department that contractors shall work overtime?—A. Yes, sir.

Q. It is?—A. That is, if allowed.

Q. And if so what is the custom about paying the inspectors?—A. Oh, we pay them for the overtime.

Q. Do you know whether you pay them for straight time, or do you pay them more than a proportion of the amount for the time worked over the day work?—A. Well, the general practice is to rather increase their salary than to pay them for increased working hours. If a man is obliged to work for 13 or 14 hours a day instead of receiving \$3.00 he will receive \$4.00, \$4.50 or \$5.00, as the case may be.

Q. Now, supposing that a dredge is authorized to work at nights would you expect one inspector to look after the whole work?—A. Certainly not.

Q. That would involve the payment of another inspector?—A. Yes, sir.

Q. Starting now on this file, my hon. friend has put in evidence I think the letter of the minister under date of June 6th, in regard to the appointment of Mr. Smith.

Mr. CROCKET.—Yes.

Q. Now, before we go into that I want to put in evidence a letter written by you to Mr. Shewen dated the 9th of June, 1908. Will you just read it, please?—A. (Reads):

OTTAWA, June 9, 1908.

E. T. P. SHEWEN,  
Resident Engineer,  
St. John, N.B.

Contract for dredging at Maquapit awarded to Maritime Dredging and Construction Company of St. John, N.B., at rate of fifty cents per cubic yard, scow measurement. Please lay out work and notify them of the acceptance of their contract.

Q. That was two months before the contract was actually executed?—A. Yes, sir.

Q. Do you see anything wrong with that?—A. No, they commenced the work on the 13th of the same month.

Q. Under instructions from the department straight and regular?—A. Under my instructions sir.

Q. I find the next memorandum is on the 3rd of July, 1908.

Mr. CROCKET.—That is in.

Q. Then there is your letter of July 9th, 1908.—A. (Reads):

SIR,—I inclose herewith copy of a memorandum from the honourable the minister permitting the Maritime Dredging Co. to operate their plant at Maquapit Lake at night time. Please give the necessary instructions to have this done.

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and appoint Willard McMulkin, of Upper Gagetown, as night inspector. Yours obediently.'

Chief Engineer.

W. J. McCORDOCK, Esq.,  
Superintendent of Dredging,  
St. John, N.B.'

Mr. CROCKET.—There is a telegram of July 14, 1908, to Mr. Shewen to appoint Mr. McMulkin as inspector of dredging at Maquapit, and permit the Maritime Dredging Company to do night work. That is in.

*By Mr. Carvell:*

Q. Now, I find next a letter of the 17th of July, 1908 in reference to the rate of wages, will you read that?—A. (Reads):

DEPARTMENT OF PUBLIC WORKS, CANADA,  
RESIDENT ENGINEER'S OFFICE,  
ST. JOHN, N.B., 17th July, 1908.

SIR,—The inspectors of dredging at Maquapit Lake receive \$2.50 a day. They are both good men, who live away from home, and so have to pay their board. I beg to recommend that they should be paid at the rate of \$3 per day.

Yours obediently,

E. T. P. SHEWEN,  
*Resident Engineer.*

E. D. LAFLEUR, Esq.,  
Chief Engineer,  
Public Works Department,  
Ottawa.'

Mr. CROCKET.—I do not think there is any fault to be found with the rate of wages.

Mr. CARVELL.—I did not know what you would find fault with.

*By Mr. Carvell:*

Q. Will you read your reply to that?—A. (Reads):

RIVER ST. JOHN,  
MAQUAPIT LAKE.

July 20, 1908.

SIR,—You are authorized to pay the inspectors of dredging at Maquapit lake, each \$3 per day, for their services, as requested in your letter of the 17th instant.

Yours obediently,

*Chief Engineer.*

E. T. P. SHEWEN, Esq.,  
Resident Engineer,  
St. John, N.B.

Q. Now, Mr. Lafleur, the documents show that they did night work on that contract?—A. Yes.

Q. And if they did night work it would require two inspectors?—A. Two inspectors, sir.

Q. And two inspectors were employed and were paid for?—A. Yes, sir.

Witness retired.

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Mr. J. B. HUNTER, Deputy Minister of Public Works, called, sworn and examined:

*By Mr. Carvell:*

Q. I want to take up this Maquapit lake contract and ask this witness a few questions along the line that we were investigating in connection with the Maritime Dredging and Construction Company's contract for St. John Harbour. My honourable friend this morning referred to the fact that the Maquapit lake contract was not signed until some time in August although the work commenced in June?—A. Yes.

Q. Was there an original tender in that case?—A. Yes, sir.

Q. Have you there the original tender for Maquapit lake?—A. Yes, this is the Maquapit lake tender (document produced).

Q. That is the tender of whom?—A. The Maritime Dredging and Construction Company.

Q. What is the date of that tender?—A. 25th of May, 1908.

Q. And have you the envelope showing when it came in?—A. Yes, here is the envelope in which it was inclosed (document produced) stamped as having been received by the secretary of the department on May 26, 1908.

Q. Now, we might possibly put in the order in council. I have here, Mr. Hunter, copies of the order in council referring to that contract. Will you kindly look at it and tell me which is the order for this work and tell me what is the date of the order in council authorizing this contract?—A. It is dated the 13th of June, 1908, and covers a number of works, among them the Maquapit lake work.

Q. To the Maritime Dredging and Construction Company?—A. To the Maritime Dredging and Construction Company.

Q. I want you to look at this document next, and tell me what this is (document produced)?—A. This is the original contract entered into with the Maritime Dredging and Construction Company for the Maquapit lake work.

Q. And it consists of what?—A. It consists of an indenture and the specification.

Q. And what is the specification?—A. The specification is a copy of their offer to do the work.

Q. Or what we have been calling a tender?—A. What I have heard referred to here as a tender, which is incorrect.

Q. It is a copy of their offer or tender?—A. This will show how this matter works out. The tender cover four places, but the contract has reference to only one. It is not a copy of the tender, but it is a copy of their offer so far as it applies to this work, and it works out as a specification which is attached to this contract.

Q. Then this is a copy of their tender so far as it applies to the Maquapit lake work?—A. Yes, exactly.

Q. And that forms a part of the contract in this case just the same as it does in the St. John Harbour case?—A. Just the same.

Q. The original tender remains on the file in the department, and the copy is attached to the contract and becomes part of it as a specification?—A. Yes, exactly the same.

Witness retired.

Committee adjourned.



# EVIDENCE

TAKEN BEFORE THE

PUBLIC ACCOUNTS COMMITTEE

RESPECTING PAYMENTS RE

TAXES AND RENTS

IN CONNECTION WITH

WOODS' BUILDINGS, OTTAWA

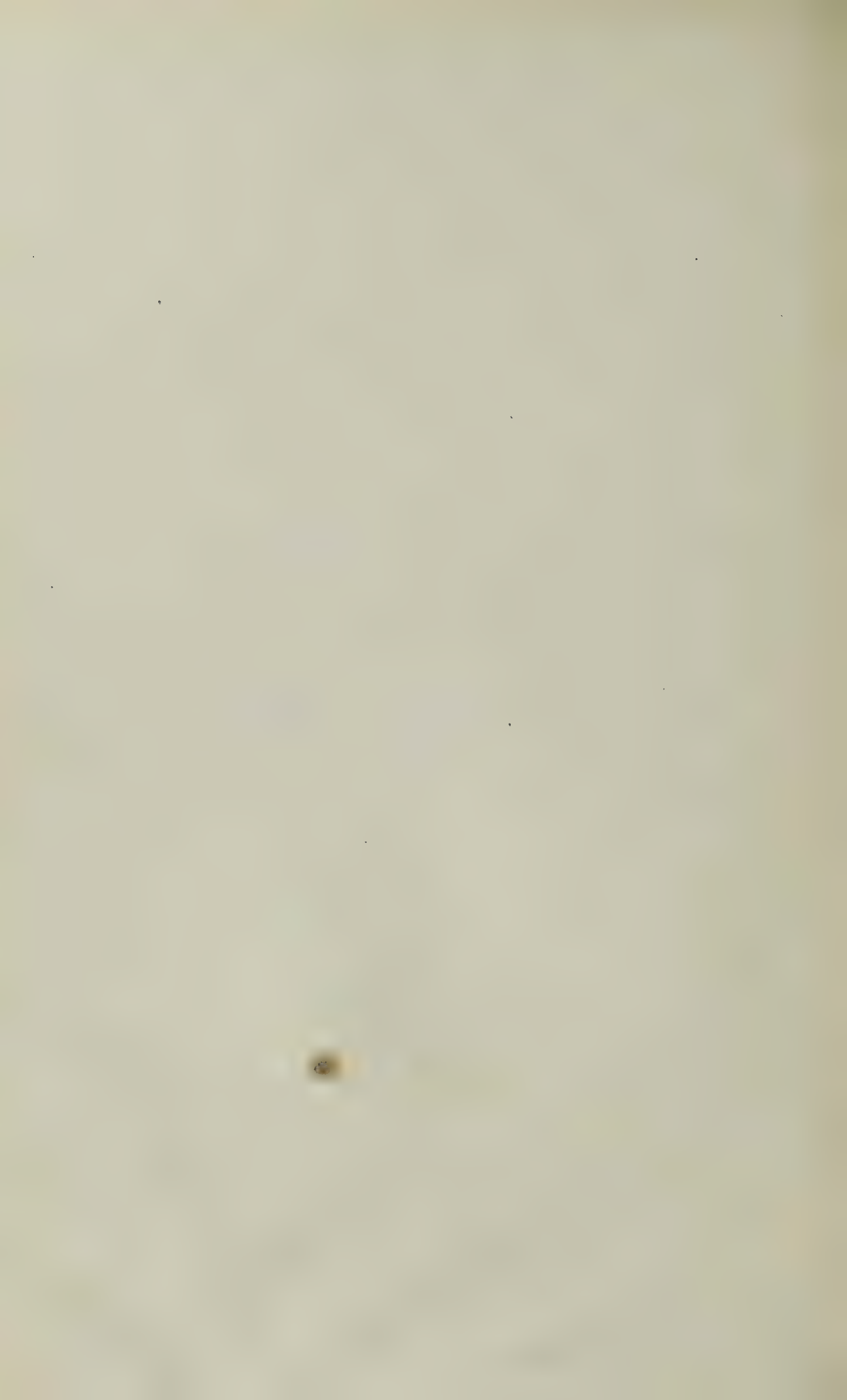
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EXCELLENT MAJESTY

1910



## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journal and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto Wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,

*Chairman.*





## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, March 11, 1910.

The Committee on Public Accounts proceeded to the consideration of payments of \$622.29 and \$5,383.26 for taxes in connection with Woods properties, Queen and Slater streets, Ottawa, as set out at V—136 in the report of the Auditor General for the year 1910. Mr. Warburton, the chairman, presided.

The CHAIRMAN.—The matter before the committee relates to a payment of \$622.29 and a payment of \$5,383.26 for taxes in connection with Woods properties on Queen and Slater streets, Ottawa, as set out at V—136 in the report of the Auditor General for the year 1909.

Mr. SHARPE.—That was an error. It was to include the rents, an item of \$72,000. That was omitted.

The CHAIRMAN.—Yes, there is an item of \$73,614.12.

Mr. SHARPE.—It was to include the whole question of rents and taxes and the heating of the buildings.

AMBROSE DUFFY, called, sworn and examined:

*By Mr. Sharpe:*

Q. You are the city assessor here?—A. Yes.

Q. How long have you been assessor?—A. Since 1902.

Q. How long have you resided in the city, roughly speaking?—A. Since 1892.

Q. And have you been assessor since that date?—A. Since that date.

Q. Assessor since 1902?—A. Yes.

Q. There is more than one assessor in the city?—A. Yes.

Q. What was your department or territory?—A. Well it is divided between Central, St. George and Victoria wards at the present time.

Q. That is the central part, the business portion of the city?—A. Yes.

Q. And the two Woods buildings, the Militia building and the Canadian building and the building where the Railway Commissioners meet, are these in your district?—A. Yes.

Q. What is your method of assessing? Do you assess the full value or a certain percentage?—A. We are supposed to assess the full value.

Q. And what is your method. What do you do to arrive at the value? Do you take its cubic contents?—A. Generally by cubic contents.

Q. How do you estimate the value of these buildings?—A. By that system.

Q. Have you any notes on how you arrived at the number of the cubic contents?—A. I have not them here.

Q. But that is the method by which you arrived at the valuation of those buildings?—A. Yes.

Q. Do you remember how much per cubic foot you valued it?—A. Somewhere in the neighbourhood of 12½ and 13 cents.

Q. That is when you originally valued them some years ago?—A. Yes.

Q. Did you have any conversation with Mr. Woods in reference to the valuation?

—A. When we first assessed them he complained of the assessment.

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Q. That it was too high?—A. Yes, and he came and saw the Assessment Commissioner and showed his books. Of course I could do nothing.

Q. And did you see the books?—A. He simply showed me the item. I did not examine the whole of his books.

Q. He showed the total of what he said was the cost of construction?—A. Yes, that is of the present Woods building, not of the Imperial.

Q. And was that lower or higher than your assessment?—A. It was lower than the assessment.

Q. How much lower?—A. I do not remember how much. It was lower.

Q. How much was your assessment at that time?—A. I do not remember how much it was at that time.

Q. Was that in the year of 1903?—A. There was no building in 1903.

Q. When was the building first assessed?—A. The first assessment?

Q. We are speaking of the Woods buildings now.—A. The first assessment on the Woods building was in 1905.

Q. Wasn't it completed before that?—A. Yes, that was the year it was completed. There was an assessment on it for 1904, I think a progress estimate of \$20,000.

Q. How many thousands?—A. \$20,000 for the building alone.

Q. In 1903?—A. No, in 1904 I think.

Q. When did you make that assessment?—A. In the year 1903.

Q. You would make that assessment in 1903. What month in the year?—A. Probably it might be July or August, somewhere in that neighbourhood.

Q. Well then you assessed it in 1904 again?—A. For 1905.

Q. And what is your assessment in 1904?—A. Well I have no value on the Woods buildings in 1904 at all. There is a value in 1905. I told you of \$20,000, a progress estimate for 1904, \$20,000 on the building.

Q. Well, I want to know the progress estimate or valuation in 1904?—A. I am telling you, \$20,000.

Q. That was in 1903 you say?—A. Yes.

Q. What was the one made in 1904?—A. That is for 1905.

Q. Well what is that?—A. The building was \$110,000.

Q. And was that a completed building?—A. A completed building. It was then occupied by the government and Woods himself.

Q. That is it was occupied in 1904, you mean?—A. Well, I do not know whether they went in in 1904 or not. I found them there in 1904 because I made this estimate in 1904 for 1905.

Q. Now you say you made the assessment at \$110,000 in 1904?—A. Yes.

Q. Was it after you made that assessment that you had an interview with Mr. Woods?—A. Yes.

Q. Was his estimate of the cost of the building less than \$110,000?—A. It was. That is what he told me.

Q. And he showed you the figures as to the cost of construction?—A. Yes.

Q. And that included the whole building?—A. You say less than \$110,000. Oh, no, I would not say that. I think that is what Mr. Woods said the building cost.

Q. I asked you about your assessment, and you said \$110,000?—A. So it is, but that is not an assessment I made.

Q. What is the assessment you made?—A. I told you before I do not remember.

Q. Where did you get \$110,000?—A. After consulting Mr. Woods and looking at his book we reduced the building to \$110,000.

Q. Oh, I see. You assessed it higher than that and he made a protest?—A. Yes.

Q. And after seeing his book and his figures as to the cost of construction you reduced the amount to \$110,000?—A. \$110,000.

Q. Were his figures still lower than \$110,000?—A. I would not be positive on that point.

Q. This protest that Mr. Woods made was not made in the usual way of appealing



## APPENDIX No. 2

from the assessment to the Court of Revision?—A. No, he went and saw the assessment commissioner who was then Mr. Pratt.

Q. And did Mr. Pratt instruct you to fix that figure?—A. He told me to go and look at his books and we found out that way.

Q. Were the books lower than \$110,000?—A. I cannot remember that.

Q. Now taking the Woods building, what material is it built of?—A. Brick, stone foundation.

Q. Do you know how many floors there are in it?—A. I think there are six counting the basement.

Q. That is the cellar?—A. Yes.

Q. Would you please give us the dates of the first assessment on the Woods building down to the present, the total assessment each year on the Woods buildings commencing with the year 1903?—A. There was no assessment on the building for 1903.

Q. He represented the owner in 1904?—A. In 1904.

Q. Did the \$110,000 include the land or just the building?—A. No, the building.

Q. What was the land valued at?—A. \$5,500.

Q. Taking the building and the land, give us the assessment from 1904 down to the present. Take 1903 so that we can have it in the proper sequence. In 1903 the land only was valued at \$5,500?—A. The total land where the Imperial building stands to-day.

Q. That is Woods?—A. No, the Imperial building is the easterly building or rather the Canadian building. The Canadian building is the easterly building.

Q. I have got this marked Imperial, Woods or Militia building?—A. The building next the corner is the Canadian Building.

Q. We are speaking of the Woods building just now.

*By Mr. Carvell:*

Q. Are both of these buildings now the property of the Imperial Realty Co.?—A. So I understand.

Q. I think Mr. Sharpe has chosen the better name because in the papers the one is called the Woods building and the other the Canadian building. It is just as well to stick to that. To get the matter a little plainer, when you estimated the land, when you valued the land, did it include all the land occupied by both buildings or by only one building?—A. Only the one building.

*By Mr. Reid:*

Q. Which was usual, separating the land before any buildings were on it?—A. Yes.

*By Mr. Sharpe:*

Q. Take 1903?—A. For the year 1903 the total land was assessed at \$13,000.

*By Mr. Reid:*

Q. That is for the two buildings?—A. Where the two buildings stand to-day was assessed at \$13,000. There were two coal sheds and they were assessed at \$1,100.

Q. That is in addition to the \$13,000?—A. The total assessment of the land and buildings included was \$14,100. In 1904 there were 132 feet of ground, that is of the two lots, 66 ft. by 66 ft.

*By Mr. Sharpe:*

Q. You could not draw us a diagram showing us the lots and the buildings, could you?—A. I thought I brought the plan with me, but I am afraid I did not.

*By Mr. Carvell:*

Q. I understand these lots were changed. If you drew a plan it would not do for the next year?—A. There would be no difference.

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*By Mr. Reid:*

Q. This land that was assessed for \$14,000, did that include the land in the rear of these buildings on which now the new premises are being built?—A. No.

Q. It was just the land fronting on Slater street?—A. It includes a part, it includes 56 feet in depth of the Maria street lots now Laurier avenue. It includes 56 feet of these lots.

Q. So the assessment includes more land than what the two buildings are actually standing on to-day?—A. No.

*By Mr. Sharpe:*

Q. The building runs back to the Laurier avenue lots?

*By Mr. Carvell:*

Q. What would be the length of the Slater street lots?—A. 160 feet.

Q. And 52 feet off Laurier?—A. 56 feet off Laurier.

Q. That is practically 200 feet?

*By Mr. Sharpe:*

Q. I think that is about the quantity of land the buildings cover. First tell us the assessment on the Woods building. Take the Woods building each year?—A. The first assessment on the Woods building was \$20,000.

Q. That is in the year 1904?—A. There were \$10,000 on the land and \$20,000 on the building.

Q. That is for the year 1904?—A. No, that is 1906.

Q. I want it consecutively?—A. Well I have no building at all for 1904.

Q. But you made an assessment. The first assessment you have was for 1904?—A. It was about \$20,000.

Q. Now give us 1905?—A. In 1905 the land was \$5,500 and the building \$110,000, total assessment \$115,000.

Q. Now 1906?—A. 1906 was the same.

Q. 1907?—A. In 1907 the land was \$7,800. We increased the land that year, \$7,800, and the building \$110,000, total \$117,800.

Q. Next year?—A. The next year the land was \$7,800 and the building \$110,000, and the total assessment \$117,800.

Q. 1909?—A. In 1909 the land was \$10,750 and the building \$110,000, total \$120,750.

Q. 1910?—A. The land was \$10,750, the building \$140,000, total \$150,750.

Q. Now, take the Canadian building the same way, starting at the first year you made an assessment on the Canadian building?—A. The first assessment on the Canadian building was in the year 1906.

Q. How much was that?—A. The land was \$10,100 and the building \$20,000, total \$30,100.

Q. And 1907?—A. The land was \$7,800, the building \$134,000.

*By Mr. Carvell:*

Q. That is in 1907?—A. 1907.

*By Mr. Sharpe:*

Q. What was the total?—A. The total was \$141,800.

Q. Now take 1908?—A. The land was \$7,800, the building \$134,000, total \$141,800.

Q. 1909?—A. The land was \$10,700, the building \$134,000, total \$154,750.

Q. 1910?—A. The land was \$10,750, the building \$180,050, total \$190,800.

Q. Did you have any conversation with Mr. Woods in regard to the assessment of the Canadian building?—A. None.

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Q. As to its value?—A. Well I am not so sure about that. I rather think there was a conversation about that.

Q. Did you make any reduction in consequence of that conversation?—A. I do not think so.

Q. Did he show you any figures as to the cost of construction?—A. To the best of my memory he did not.

Q. I see the assessment on the Canadian building went up very rapidly from \$141,800 to \$190,800?—A. Yes, we increased both buildings.

Q. Why?—A. Well, we happened to get hold of the blue-book of the government and we saw there was quite an expenditure that Mr. Woods had not given us and we added that.

Q. Was it in consequence of the expenditure on the part of the government in improving the building that you increased the assessment?—A. Yes.

Q. And consequently the taxes would be increased accordingly?—A. Yes.

Q. Did you go down and view the improvements the government had made?—A. Yes, I saw them.

Q. How did they compare, the improvements in the Canadian building, with the improvements in the Woods buildings? Were they similar?—A. Similar, I think. I do not think there was any difference in them.

Q. Would the cost of the improvements in the Canadian building exceed the cost of the improvements in the Woods building or would they correspond?—A. In proportion to the size of course they would.

Q. In proportion to the size. That would be the only increase in the cost?—A. Yes.

Q. In your opinion that increase is usual?—A. Yes.

*By Mr. Carvell:*

Q. What does he say, that it is an increase that is usual?—A. Yes.

*By Mr. Sharpe:*

Q. And the improvements, I understand you to say, in the Canadian building were similar to the improvements in the Woods building?—A. As far as I could see.

Q. What is the general rule in Ottawa. Does the landlord or the tenant pay the taxes?

Mr. CARVELL.—Now just a moment. I do not think he has anything to do with this at all.

Mr. SHARPE.—We are inquiring into the reasonableness of this assessment.

The CHAIRMAN.—Would that not come under the agreement?

Mr. SHARPE.—I am asking him as a general principle, what is the rule.

The CHAIRMAN.—You can ask a question I suppose whether there is a regulation.

Mr. SHARPE.—We can examine the contract afterwards.

Mr. CARVELL.—If there is a law that is a different thing. If he is asking for the rule or custom I submit that is not evidence.

The CHAIRMAN.—If there is a rule or regulation of the city that is evidence. That is, I presume, what Mr. Sharpe is asking for.

Mr. SHARPE.—I submit we can even go further than that. We are considering the question whether we are paying a reasonable rent and in addition to the rent whether we are paying the taxes. I want to know if that is a reasonable proposition.

The CHAIRMAN.—If there is a regulation in the city as to taxes a man would be bound to look into the regulation when he takes any land. If the regulation says the tenant is to pay, a specific contract might not mention it at all and yet he would have to pay.

Mr. REID.—Is there any regulation by which the tenant or the owner pays?

Mr. CARVELL.—I have no objection to getting any regulation of the city or any



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law in Ontario, but there is no doubt that we are working here under a specific contract by which the government pays the taxes.

Mr. SHARPE.—And I am asking whether it is the custom and I want to inquire whether that is a reasonable proposition.

Mr. CARVELL.—That would not play any part.

The CHAIRMAN.—In the absence of an express stipulation you might ask what would be the rule of the city, what regulations are in force.

Mr. CARVELL.—That does not play any part because there is an absolute contract here by which the government pays the rent.

Mr. SHARPE.—The provincial law is that the landlord pays the taxes.

Mr. CARVELL.—But we have a contract here.

Mr. REID.—But taxes were not mentioned in the original contract.

Mr. CARVELL.—Yes, they are all mentioned.

*By Mr. Sharpe:*

Q. What, from your experience, is the custom in the city. Is it customary for the landlord or the tenant to pay the taxes?

Mr. CARVELL.—Don't answer that.

The WITNESS.—That is entirely between the landlord and the tenant.

*By Mr. Sharpe:*

Q. Then I will follow it up with this question, in the absence of any provision in the contract between the landlord and the tenant who would pay the taxes? In the absence of any agreement in the lease who would the city look to?—A. I cannot tell you as an assessor but I can as a citizen, that I think the landlord would be responsible for the taxes.

Q. What would you consider the life or duration of a building of the character of the Woods building for instance?—A. It is very hard to estimate.

Q. You have had a lot of experience assessing buildings and you can give us an estimate of that kind?—A. I have come across buildings in the old country that were over 150 years old.

Q. Brick buildings?—A. Brick buildings.

Q. Over 150 years old. Is the Canadian building built on the same plan as the Woods building, brick and stone foundation?—A. No, the Canadian building is a concrete foundation I think. No it is not. It is stone foundation laid on a concrete base.

Q. I would be well within the mark then in saying that the life or duration of this building was 150 years?—A. I think you would. There is always wear and tear on a building as you are aware.

Q. As an assessor, in determining the amount of land that should be bought for building, don't you think the cost of construction should play some part in the amount of rent?—A. Nothing to do with the rental.

Q. You do not think that has anything to do with the rental?—A. Nothing at all. A man should get what rent he can.

Q. But don't you think that a tenant that is leasing a building would be governed generally by the cost of reproducing a similar building?—A. Well, I do not know. It depends upon what he wants it for I should think.

Q. Would not the landlord who received from 6 to 10 per cent on his investment be receiving a fair rental?—A. I do not think 6 per cent would pay a man for putting up a building like the Woods building.

Q. What per cent would you think would be a reasonable rental on a man's investment?—A. Well not less than 10 per cent.

Q. Would you think 10 per cent a reasonable rental?—A. It depends on the class of building and what it is used for.

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Q. We are dealing with the Woods building?—A. If he got 10 per cent clear.

Q. The same with the Canadian building?—A. Yes.

Q. Now taking a building of that character if the offices or the flats are occupied by different tenants would you place different valuations upon the different flats?—A. Yes, as a general rule we have done that heretofore.

Q. What is your rule?—A. We generally put two-thirds of the value on the ground floor.

Q. That is the first floor?—A. The first floor two-thirds and grade them upwards. But we have changed that and we think about one-half now on account of elevators and one thing or another in the building, that the upper floor is as good as the lower, and we put one-half on the lower.

Q. And distribute the other half among the other floors?—A. Among the other floors.

Q. Equally?—A. No, we generally descend in going up.

Q. You grade it?—A. Yes.

Q. There is a difference in the renting value and the assessing value in the different flats in the building?—A. There is a difference in the assessing value.

Q. And what would be the difference in the renting value?—A. Taking commercial rooms as rented for offices and that we have found there is very little difference.

Q. But you assess them on a different value?—A. Yes, we do.

Q. And you would not put much value on the cellar floor for commercial purposes?—A. No, because it is distributed. Where the cellar or basement is used for heating the whole establishment we distribute that throughout the building.

Q. And the basement or cellar floor is not much good for renting purposes as a rule?—A. Some are not.

Q. As a rule they do not get much return from a cellar floor?—A. No, I would not think so.

*By Mr. Carvell:*

Q. In your 18 years' experience as assessor have you frequently found people finding fault with the assessment?—A. Very often.

Q. And did you ever have a man tell you that you were not assessing his building enough?—A. Well no.

Q. Never?—A. No.

Q. And I suppose when Mr. Woods complained that you were over assessing him he was not an exception to the rule was he?—A. Not at all.

Q. Now you say your custom is to assess the full value of the building?—A. Yes.

Q. Do you think that you do assess these buildings up to their full value taking the ordinary buildings in Ottawa?—A. I do not think we get up to the full value. We would rather be under the value than up to it.

Q. Have you ever had any experience in assessing properties in any other places out of Ottawa?—A. No.

Q. I think that is the experience of Canada?—A. Of course I have had the experience in valuing buildings in the city of Montreal previous to coming to Ottawa.

Q. But not for assessment purposes?—A. Not for assessment purposes.

Q. Well, when you talk about valuing a building at so much per cubic foot, that would not be an infallible rule would it?—A. It is a general rule followed by all architects.

Q. Perhaps I did not frame the question properly. As I understand these buildings are always valued by the cubic contents but you would not say that 12½ to 13 cents would apply to every brick building in the city of Ottawa?—A. It depends on the material and finish.

Q. That is a matter that would have to be looked into in each individual case?—A. Yes.

Q. Now do you say that 12½ to 13 cents is a reasonable valuation for the cubic contents of the Woods building?—A. I think so, I think it is reasonable.

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Q. You think it could be erected for that amount of money?—A. I think so.

Q. I notice that in 1910 the assessment or the valuation of both these buildings went up very materially?—A. Yes.

Q. Tell me again what was the reason that you gave for increasing it?—A. We got the blue-book and we looked over it and saw that there was a lot of items included in the buildings as expenditure by the government and we put that on.

Q. Now, sir, as I understood the matter there was an amount paid by the government to the company or to the owner on account of changes and improvements. Would these changes materially add to the cost of the building or were they only expenditures incurred to make the buildings fit for the use of the tenants?—A. Well those expenditures, partitions and such things as that going up in the offices and the elevators going in would certainly increase the value of the building.

Q. Did you consider that all of that expenditure increased the value of the buildings?—A. No, we did not include the whole.

Q. You did not include the whole?—A. No.

Q. Do you mean that you did not include the whole amount?—A. That was in the blue-book on each building.

Q. Do you remember the amounts in the Woods building?—A. I might explain to you that the Canadian building to-day is assessed for about 12½ cents a foot.

Q. The Canadian building?—A. Its cubic contents are roughly 1,422,125 and that makes a little under 12½ cents.

Q. It was cubic feet?—A. Yes, at 13 cents it would come to \$184,870.

Q. You are speaking of the Militia building?—A. Of the Canadian building.

Q. Now, I find in a paper that has been furnished me that some time, I do not know just what year, there was supposed to be \$31,351 on repairs and improvements to the Militia building.

Mr. REID.—Repairs or additions?

*By Mr. Carvell:*

Q. Repairs and changes to make it satisfactory to the tenant. Half of it was paid by the government. Prior to that the assessment on the Woods building was \$110,000?—A. Yes.

Q. And you have added \$30,000 or practically the whole of that repair work have you not?—A. Yes. Mr. Woods expended I think a certain portion himself.

Q. Altogether according to the return, there was \$31,351 expended. That is what I am taking from the return. You have added \$30,000 on the assessment of the building and \$3,000 practically on the land at that time?—A. Of course the land had nothing to do with the value of the building. We increased the land all over the city at the same time.

Q. Then you have practically added to the assessment of the Woods building, practically the whole cost of the repairs and additions have you not?—A. Yes, less a certain amount that Mr. Woods paid. That does not appear there.

Q. I see the total amount of repairs to this building according to the return was \$31,351, of which the government paid one-half and you increased the assessment by practically the total cost of the improvements?—A. Because I considered the building was too low assessed previously on the first assessment.

Q. I think you are right. Then according to that there would be some portion of these repairs and changes that really would not add to the value of the building?—A. No, I think there would be some that would not add to the value.

Q. But you put them all in and the reason you give now is that the building was too low assessed at the time?—A. Yes.

Q. And in your opinion is it pretty low at the present time?—A. It is not over assessed.

*By Mr. Reid:*

Q. Has property increased in value in that locality in late years?—A. Very much in the whole city.



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*By Mr. Carvell:*

Q. And particularly in that locality?—A. I would not say particularly in that locality.

Q. It is a fact that property is going up in Ottawa and everywhere. Now would the same statement as to the increase in the assessment and the cost and value of the improvements apply to the Canadian building as you have given us?—A. The same as Woods.

Q. And you do not believe that the Canadian building is over-assessed at the present time?—A. No, sir, I do not.

Q. I think you told my friend that you did not consider the actual cost of the building is a proper basis on which to base the rental?—A. Well no, I do not think so.

Q. What would you consider a proper basis?—A. There is a difference of opinion between every one as regards that.

Q. I am not asking you anything regarding assessment. I am simply talking about commercial values?—A. My own opinion is that if a man got 10 per cent on his investment clear, putting off his annual repairs and insurance, water rates, and everything else, taking these off, if he got 10 per cent he would be doing fairly well.

Q. A fairly good business?—A. Yes.

Q. Would you consider it usury or dishonesty?—A. I am not here to judge any man.

Mr. SHARPE.—That is not a proper question.

*By Mr. Carvell:*

Q. From your knowledge of buildings in the city of Ottawa and of rental values are there not buildings on Sparks street that are yielding much more than 10 per cent on the actual cost values of the property?—A. I do not think there is a building on Sparks street that is paying 10 per cent to-day, from end to end of it. I do not think there is a single building paying 6 per cent.

Q. On the cost?—A. I am taking land and building on their investment.

Q. But when you are taking that into consideration you are taking in the value of the land as well as the cost of the building?—A. Certainly, and in the Woods building also you must take in the cost of the land. He does not buy his land for nothing.

Q. Probably he got it pretty cheap?—A. That is another thing.

Q. I am finding no fault with it. I want your opinion as to a certain building on Sparks street regardless of the land.

Mr. SHARPE.—I do not think that is a fair question. He cannot take buildings on Sparks street. Let my honourable friend name a building and perhaps he has some personal knowledge of it. You cannot compare buildings built now and buildings erected 20 or 25 years ago.

Mr. CARVELL.—Here is a man who has been valuing property for 18 or 20 years. Surely his opinion is of value.

The CHAIRMAN.—I do not see the value of it. We have been asking what is the cost of the Canadian building and the Woods building.

Mr. CARVELL.—We have gone further than that. We have asked what in his opinion is a reasonable rental.

Mr. SHARPE.—He could pick out any building.

Mr. CARVELL.—I will take a building down here at the corner of Metcalfe and Sparks.

The CHAIRMAN.—The Ross building.

Mr. CARVELL.—No, on this side.

The CHAIRMAN.—The Telegraph building.

Mr. CARVELL.—I think there is a saloon in it. Down here at the northeast corner of Metcalfe and Sparks.

The WITNESS.—A stone building?

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Mr. CARVELL.—Yes, an old stone building.

Mr. SHARPE.—Before he could answer that he would have to know the original cost of construction.

Mr. CARVELL.—Now he has been 18 years in this business.

Mr. REID.—He would have to know the assessment and he has not got his books here.

*By Mr. Carvell:*

Q. You know the building I refer to?—A. I do.

Q. From your knowledge of that building, leaving out the land and taking in the building itself—

Mr. SHARPE.—Does he know the rental value?

*By Mr. Carvell:*

Q. Perhaps he does not. I am simply asking his opinion. Do you think the owner of that building is getting more than 10 per cent?—A. I cannot tell you for the simple reason that I do not know what the building is assessed at at the present time. Then I do not know what the rental would be apart from the land. That is another thing. The building and the land are entered together.

*By Mr. Sharpe:*

Q. It would be quite natural for you if you ascertained that a certain amount of capital expenditure was made on a building to add that capital expenditure to your assessment investment?—A. Yes, if I thought the building was too low assessed previously.

Q. Whether or not, if there was \$30,000 expended on a building it would be quite natural to add that to the assessment?—A. Certainly.

Q. Presumably if \$30,000 are expended on a building it improves the building to that extent?—A. Yes.

Q. You do not think the properties are over assessed at the present time?—A. No.

Q. You have come to that conclusion because of your knowledge of the rentals?—A. I do not know the rentals.

Q. You think that there are very few if any properties on Sparks street that produce a net income of over 5 per cent, if they produce that?—A. They do not produce 6 per cent, I know that at all events. \*

*By Mr. Carvell:*

Q. Including the value of the land?—A. Yes.

*By Mr. Sharpe:*

Q. You know some that do not even produce 3 per cent?—A. The confession by landlords when they appeal their properties.

*By Mr. Carvell:*

Q. Oh I see, for assessment purposes?—A. No, they produce their accounts.

*By Mr. Sharpe:*

Q. What was their contention?—A. Their contention was that they did not produce  $3\frac{1}{2}$  per cent.

*By Mr. Rhodes:*

Q. Would not 10 per cent be rather a large yield?—A. It might be in some cases, but I think I would look to get 10 per cent on any property I had for rental.

Q. But as I understand it the usual return looked for on the part of the landlord

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is 10 per cent gross?—A. Well, I do not know what the landlord's idea may be. I know one landlord in the city and he says that if he gets 6 per cent he is quite satisfied.

Q. Six per cent net?—A. Yes.

Q. He would regard 10 per cent as an unusually large yield would he not?—A. I do not think so.

Q. That is exclusive of taxes?—A. Exclusive of taxes.

Q. And insurance?—A. And insurance.

Q. And repairs?—A. Water and repairs.

Q. It is a large yield though?—A. It is a large yield.

Q. Above the average?—A. It would be, I suppose, above the average. Some might yield more.

Q. In isolated cases I have no doubt owing to the rapid advancement in the price of land 10 per cent would be looked for but take the general run?—A. Taking the general run it is perhaps over.

Q. But it is a large yield?—A. Yes.

Q. An unusually large yield?

Mr. CARVELL.—He did not say that.

*By Mr. Rhodes:*

Q. I thought I understood you to say an unusually large yield.—A. I did not say so, you said so, I did not.

Mr. RHODES.—As a matter of fact I rent some buildings myself and when I get 10 per cent gross I regard myself as doing well.

Witness discharged.

Mr. SHARPE.—We might take up the matter of the leases here. Perhaps we might call Mr. Ewart.

DAVID EWART, called, sworn and examined:

*By Mr. Sharpe:*

Q. You are chief architect of the Public Works Department?—A. Yes.

Q. You have the various leases in connection with the Woods and the Canadian building?—A. No, I have nothing to do with them.

Q. They are produced here I presume. The first lease is in connection with the Woods building and is dated 17th October, 1903. Did you report prior to this lease as to the necessity for increasing the accommodation for the department?—A. I did in one sense.

Q. Did you report before this first lease was entered into?—A. I reported on 15th July.

Q. What year?—A. 1903.

Q. What is your report?—A. Well my report states the number of superficial feet that the Militia Department occupied and the number of feet they required.

Q. But is not reference made to you as chief architect of the Public Works Department to report upon the necessity of increased accommodation?—A. No, not particularly, not definitely. The ministers and the other parties know that.

*By Mr. Reid:*

Q. The minister assumes the responsibility of saying that increased accommodation is necessary does he?—A. I think it is they who do that.

*By Mr. Sharpe:*

Q. Well we will take up the first lease, No. 4766. It is dated 17th day of October, 1903, and is between James W. Woods and His Majesty and leases what is known as the Woods building?—A. Yes.

Q. The east half of the building except the top floor and measuring 31 feet 1



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inch frontage by 151 feet, 10 inches in depth for the term of 10 years from 1st November, 1903, paying \$11,040 quarterly on the first days of February, May, August and November, of each year. 'The said party of the second part covenants with the said party of the first part to pay rent and to pay taxes, water rates, street sprinkling and snow cleaning, if any, except local improvements and to do the ordinary repairs, reasonable wear and tear and damage by fire, lightning and tempest only excepted, and that he will leave the premises in good repair, reasonable wear and tear and damage by fire, lightning and tempest only excepted. Provided that in the event of fire, lightning or tempest, rent shall cease until the premises are rebuilt and fit for occupation.' And then there is a clause in reference to the parties: 'And the said party of the first part,' that is Mr. Woods,' doth hereby for himself, his heirs, executors, administrators and assigns covenant with the said party of the second part to divide the premises hereby demised in accordance with the plan hereto attached and which forms part hereof by a properly constructed terra cotta, expanded metal or other fire proof partitions, having surface finished in plaster.' Have you that plan?—A. No, I have not the plan.

Q. Where is that plan?—A. It will be in the department.

Q. You have that plan?—A. I think I could get that plan.

Q. I wish you would take a note and get a number of things that I want. The lease proceeds: 'To place a wash basin with water service and drainage in each and every room, to fit up a sufficient number of water closets, sinks and lavatories with water service and drainage, and to the satisfaction of the party of the second part, all the plumbing, piping, fittings and materials throughout to be of the most modern and sanitary character, and also that the said premises shall be supplied with heating apparatus that shall be able to furnish a temperature of 75 Fahrenheit at all times with ordinary firing; the apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control; it being expressly understood and agreed that the said heating apparatus shall be built in and constructed by and at the cost of the said party of the first part and shall include all necessary piping and connections, valves and other requisites, the whole to the satisfaction of the said party of the second part; and also that the party of the second part shall wire the building for a number of electric outlets sufficient for all lighting and in accordance with the said plan of divisions hereto annexed and shall also install and erect a modern electric passenger elevator.' Were all those partitions, these alterations made by Mr. Woods at his own expense?—A. Yes, in the first lease.

Q. The lease I am speaking of?—A. Yes.

Q. Was the passenger elevator erected?—A. Yes.

Q. At that time was there a freight elevator also in the building?—A. I could not say.

Q. Your plan of the building would show that?—A. Well, yes, if it was made according to the plan. I think the plan was made for the finished rooms.

Q. Then the next lease is No. 5694, dated 30th August 1905, and provides for the lease of the west half except the top floor. Have you the plan of the alterations that were required in the second lease?—A. I believe we have.

Q. You have not any plans here?—A. No.

Q. I wish you would bring all the plans of the Woods' building and the Canadian building, plans of the alterations. Did you form an estimate as to the value of the probable changes to be made in the Woods building under the second lease?—A. No.

Q. Why not?—A. Well, I suppose I was never asked.

Q. Who made those alterations?—A. They were done by Mr. Woods.

Q. Who had supervision of the alterations?—A. I do not know that there was any particular supervision until they were finished, as long as he made them according to the plan.

Q. And how did you arrive at the cost of the alterations?—A. He produced the vouchers.

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Q. The original vouchers?—A. Yes.

Q. Who checked them over?—A. I do not exactly remember at the present time, but I know they were checked in the department.

Q. Can those vouchers be produced?—A. I suppose so. They will be on record.

Q. In whose possession will they be?—A. With the accountant I would say.

Q. That is A. G. Kingston?—A. Yes.

Q. Well the second lease is for five years, renewable for five years and the rent was to start from 1st November 1905,, at \$11,040 a year?—A. Yes, that was the same as the first.

Q. And the department in the second lease agreed to pay one-half of the expense of the alterations ready for occupancy?—A. Yes.

Q. I will come back to that lease again. Then the next lease is No. 5695, and includes the top floor east and west half?—A. Yes.

Q. For eight years from the 1st November 1905?—A. Yes.

Q. One half of the cost of the partitions and alterations, etc., to be paid for by the government?—A. Yes.

Q. And that lease provides for an annual rental of of \$3,697.20. How much under the last two leases, how much repairs did the government put on the building, Mr. Woods' building?—A. According to my return the Militia building, \$31,551.47, of which the government paid one-half, \$15,674.

Q. So that the annual rental now of the Woods building taking the three leases is \$25,777.20?—A. Yes, \$25,777.

Q. And the government to make it ready for occupancy expended \$15,675.74?—A. Yes.

Q. And in addition to that the government pays all the taxes?—A. Yes.

Q. And heating?—A. Yes.

Q. And lighting?—A. Yes.

Q. So that \$25,777.20 would be the net income from the property?—A. Yes.

Q. To the landlord?—A. Yes.

Q. Then taking the lease on the Canadian building in order to have them in sequence, the first lease is No 6082, and includes the west half and the two top floors of the east half and is for five years from 1st January, 1906, and is renewable every five years.

*By Mr. Carvell:*

Q. When you use the word 'renewable' that does not mean compulsorily so?

*By Mr. Sharpe:*

Q. At the option of the department every five years, the first payment under the lease to be made on 1st April, 1906, and half of the expense of alterations to be met by the department. That is right?—A. Yes.

Q. The rental provided in that lease is \$37,330.06, that is right?—A. Yes.

Q. What is the cost of the alterations, &c., to the department?—A. That was done at two different times, one-half done at one time and the other half at another.

Q. The total I want. I have it here in a return, \$26,163?—A. No, I have got it here. In the Canadian building the total expenditure is \$34,507 in the one and \$57,437 in the other.

Q. But it is the half I am speaking of. Add up your figures?—A. Are you taking the two together or just one? I get \$45,969.

Q. That is the total under the two leases?—A. The total under the two leases.

Q. The government half?—A. The government half, yes.

Q. The total amount of repairs and alterations. Were these repairs made by Mr. Woods?—A. Yes, made by Mr. Woods.

Q. The total amount of repairs to the building was \$91,981.38?—A. That is right.

Q. Of which the government paid one-half, \$45,990.69?—A. Yes.

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Q. The second lease was No. 6689 and it included the remainder of the east half of the building from 1st December, 1907, to 1st January, 1913, renewable every five years at the option of the department, the department to pay one-half of the cost of partitions and alterations, &c. The rent provided is \$15,205.90. So that makes the total rental for the Canadian building what?—A. Total rental for the Canadian building \$42,536.90.

*By Mr. Carvell:*

Q. What is the rental under the second lease?—A. \$15,206.90.

*By Mr. Sharpe:*

Q. Making a total rental of \$42,536.90 which the government is paying?—A. That is right, and the government share of alterations was \$45,990.69.

Q. \$42,536.90 would be the net rent in addition to which the government paid taxes, heating and lighting and so on?—A. Yes.

Q. So that would be the net income to the landlord?—A. That is what he is paid.

Q. Now in regard to the heating of this building, I understand the former arrangement was that the government paid one-half, taking the Woods building, paid one-half for a while?—A. That is correct.

Q. And then there was a new arrangement made?—A. Yes.

Q. What is the arrangement?—A. That we pay four-tenths a cubic foot.

Q. It was nominally for the heating?—A. For the heating.

Q. What is the number of cubic feet in the Woods building?—A. The gross cubic feet is 103,750, I beg pardon, that is the Canadian building. In the Woods building it is 66,904.

*By Mr. Carvell:*

Q. That is floor space?—A. Yes, that is floor area. In the Woods building it is 866,934 cubic feet.

Q. Is that the gross or the net?—A. That is the gross area.

Q. Did you measure the building?—A. Yes, I measured the Woods building, I have it here.

Q. That is the figure you gave us just now?—A. Yes, that is the figure I gave you just now.

Q. Tell us how you cubic a building?—A. Measure it solid from the foundation right up.

Q. That is from the foundation that goes into the ground?—A. Yes. Well in a case of this kind we might measure from the basement floor.

Q. I want to know how you cubed this building. What was your plan?—A. I could not just tell you for certain.

Q. We want to verify the figures?—A. I understand that. I do not exactly remember at the present time.

Q. You would have just one system for this purpose?—A. I will tell you how we measure for valuation.

Q. Well for valuation?—A. We take from the basement floor half up to the roof, if it is a pitch roof by the outside dimensions of the building.

Q. You take the measurement from the basement floor half way up the building?—A. We take it right to the tip of the roof.

Q. With that measurement what do you do?—A. We multiply the length by the breadth and the height.

Q. Outside measurement?—A. Outside measurement.

Q. Outside wall measurement?—A. Outside wall measurement.

Q. And you go down to the foundation of the building?—A. There is no exact rule for that.

Q. What did you do in this case?—A. I cannot say.



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Q. Can't you verify your figures. Have you not a memorandum?—A. What I reported here on 15th July gives the number of cubic feet in the area proposed to be rented. That was the first lease, 370,510.

Q. Can't you say how you arrived at that estimate?—A. That is the way I would arrive at that, for that is cubing it for the value of the building.

Q. But you cannot tell whether you went down to the foundation to cube it for the purpose of heating or not?—A. I would not go any deeper than that. I am sure of that.

*By Mr. Carvell:*

Q. At that time he was not cubing for the purpose of heating but for the purpose of valuing.

*By Mr. Sharpe:*

Q. How would you cube it for the purpose of heating?—A. The same way.

Q. Where did the department get those figures, from Mr. Woods or from you?—

A. These are not my figures.

Q. Whose figures are they?—A. I could not say.

Q. Who in the department would do it?—A. I do not know.

Q. Who can tell us who did it? Who can we call in reference to the heating?—

A. I do not know. I think it was done by the deputy minister at that time, but I didn't do it.

Q. When the negotiations were pending in regard to the first lease did you give an estimate to the department as to what rent should be charged?—A. Well yes, I have it here. That is for the first lease. 'I would suggest that Mr. Woods be offered the sum of \$9,200 as the annual rental for the basement and four floors of the building exclusive of heating and water.'

Q. And you arrived at it by the superficial area?—A. Yes.

Q. What per square foot superficial area did you say was a reasonable rent?—A. 38 cents.

Q. Was that inside wall or outside wall measurement?—A. That was inside wall. Well we settled—there was a dispute with reference to the measurement—Mr. Woods claimed 154 feet by 33. It was finally settled at 153 by 32. We agreed to a measurement of 153 by 32 feet.

Q. Repeat that again?—A. We agreed to an average measurement of 153 feet by 32 feet and I valued it at 38 cents a superficial foot at that time.

Q. Now let us know how you arrived at that agreement. Did you actually measure the floors?—A. This is the actual measurement of the building.

Q. Did you actually measure inside the walls?—A. Inside the walls.

Q. Each floor, or did you measure one floor and average the rest?—A. Well we measured one or two floors and averaged that. He wanted 154 feet by 33.

Q. You took the cellar and first floor and the remaining floors all at the flat rate of 38 cents per square foot?—A. Yes.

Q. Did it not strike you that there should be a difference in the rate, whether it was basement or cellar floor or second or third floor?—A. It is just like this, if you reduce it in the cellar you would have to increase it in the other floors.

Q. Is the cellar floor of much advantage to the department except for storing goods?—A. It is of advantage to the department, but if you had charged a lower rate for the same floor—

Q. Did you make—

Mr. CARVELL.—That is not fair, let him answer.

WITNESS.—If you charged a lower rate from the cellar floor then you have to increase the rate for the floors above.

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*By Mr. Sharpe:*

Q. That is from the landlord's point of view. But from the tenant's point of view did you make any proposition for a lower rental for the cellar and the 38 cents for the upper floors?—A. No, I did not make the negotiations. I made this report.

Q. You are an architect are you?—A. Yes.

Q. How would you arrive at the value of that building?—A. By the cubic feet.

Q. How much per cubic foot would you value, what value per cubic foot would you put on it?—A. The value of that building under the first lease ready for occupation 23 cents per cubic foot.

Q. You heard what the assessor said?—A. I did.

Q. He would put it at 12½ to 13 cents. You double that?—A. We cannot build wooden buildings for that. The buildings we build for the country as a rule run to about 23 cents, the ordinary building. For a fire proof building we never count less than 30 cents a cubic foot.

Q. Taking the rental of that building, is not the rent fixed in proportion to the amount of the cost of construction?—A. That I cannot say.

Q. Taking their report did not you think that it was your duty to ascertain the value by the method you have adopted namely by a cubic foot at 23 cents per cubic foot and then putting a price on that, a certain interest on his investment. Would not that have been the natural way to have done it?—A. Well, what I made out was the cost to the party leasing, \$91,217.30, and I recommended that he be offered the sum of \$9,200.

Q. That is about ten per cent?—A. Yes.

Q. Would that include taxes?—A. No, that would not include the taxes.

Q. Who should pay the taxes on your suggestion?—A. At that time no taxes were paid by the government.

Q. That is Mr. Woods was paying the taxes?—A. Oh, no, he never paid taxes.

Q. It was suggested that Mr. Woods pay on your basis?—A. I based that on the government paying the taxes.

*By Mr. Carvell:*

Q. You say at that time they did not have to pay taxes?—A. No, they did not pay taxes.

*By Mr. Sharpe:*

Q. Do the government now pay taxes on the buildings?—A. Yes, I think on every building now in Ottawa anyway.

Q. Under the second lease there are certain alterations of which the government had to pay half, the Woods building?—A. Yes.

Q. Did you make an estimate as to the probable cost?—A. No.

Q. Who did?—A. I do not know.

Q. Did anybody?—A. I cannot say.

Q. If anybody did make it you would have known of it?—A. Of course. I could not say. I have nothing to do with that.

Q. As to the fixing of the cost of the building and the amount of rent the government should pay was it suggested to you that you should ascertain the amount in this method?—A. No.

Q. Were you instructed to do it in that method?—A. No. I was to report.

Q. What were your instructions as to reporting?—A. Well, I could hardly tell you.

Q. Had you instructions in writing?—A. No, not a solitary instruction in writing.

Q. What would your instructions be from your recollection?—A. Judging from my report I had been instructed to go and look at the building. The building was only in course of construction at the time, only one story built. I examined the building and measured the building. This is the result, this report here.

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Q. Then you don't know whether any person made any estimate as to the cost of the partitions, &c., in the other half?—A. No, I only went there.

Q. If any one had made an estimate you would have known of it as architect of the department?—A. I think I would.

Q. Were the partitions that were put in one department similar to the partitions in the other half?—A. The partitions are all fire proof.

Q. All the same in the Woods building?—A. Yes.

Q. Each half?—A. I would not say that. That would depend on the plan. There might be more partitions on one side than on the other.

Q. That is what I want you to produce the plan for. I want the plan for each floor to show how many partitions there were in each building?

Mr. CARVELL.—Why don't you bring Mr. Woods here?

Mr. SHARPE.—He is in the old country, and the architect of the department should know all about this.

Mr. CARVELL.—Mr. Woods or some of his representatives would be more satisfactory.

*By Mr. Sharpe:*

Q. Now Mr. Woods was quite willing under the first lease to put in all the partitions and do all the repairs and alterations at his own expense?—A. Well he must have been because he did it.

Q. That changed under the second lease?—A. I cannot say.

Q. Who suggested the change?—A. I could not say.

Q. Who recommended it?—A. I could not say.

Q. Can you tell us when the department took possession under the first lease?—A. No. I could find that out but I have not got it with me.

Q. I want you to find out in addition to the plans the date when possession was taken under each lease, that is full possession. I understand that one department goes into possession in one part of the building and another department goes in another part and so on. Now Mr. Woods had the top floors of the Woods building for two years after the first lease was entered into?—A. Yes.

Q. Did he pay part of the elevator expense and lighting?—A. Well, it may be possible that he had an elevator of his own on his own side. You see the building was divided in two and he might have had an elevator on his own side. I do not think he used our elevator.

Q. As a matter of fact he did have an elevator on his own side?—A. Well. I would not swear to that.

Q. As a matter of fact the Woods building had two freight elevators and two passenger elevators. Isn't that right?—A. I could not say as to that.

Q. Now have you a letter from Mr. Woods dated August 8th, 1904, where he offers to rent the west half of the Woods building at 36 cents and to put in all the partitions at his own expense ready for occupancy?—A. I never saw it.

Mr. CARVELL.—What is the date?

Mr. SHARPE.—August 8th, 1904. In negotiating for the second lease Mr. Woods wrote a letter.

Mr. CARVELL.—You are not giving this as evidence?

Mr. SHARPE.—I am asking if it is true. I will prove it if necessary.

WITNESS.—I never saw it.

*By Mr. Sharpe:*

Q. I see a letter from Mr. Woods dated August 8th, 1904, offering to rent the west half?—A. Who was the letter addressed to?

Q. To Fred Gelinis?—A. He was secretary at that time of the Public Works Department.

Q. I suppose all the letters are here and Mr. Doody can produce it. Have you got it Mr. Doody? Here it is:



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OTTAWA, August 8, 1904.

FRED GELINAS, Esq.,  
 Secretary, Department of Public Works,  
 Ottawa, Canada.

DEAR SIR,—I beg to offer the other half of my fire proof building on Slater street, a portion of which the Militia Department is using for their offices. We could give you one flat 35 ft. by 160 ft, at present while the other seven flats we could vacate by the 1st day of May next, during which time we would construct another building for our own use less expensive. We would be prepared to accept the same rate per foot of floor space as that which you at present pay and which is as low as the lowest under lease by the government in Ottawa, namely, 36 cents per square foot floor space. We would also as in the past, at our own expense, make what divisions in fire proof which you would require for your purpose and leave the premises ready for your occupancy provided your term would be sufficiently long to warrant this expenditure on capital account. Should you require this any earlier we should make every effort to meet your desires. Thanking you for past favours and soliciting a continuance, I am,

Yours very truly,

JAMES W. WOODS.'

Do you know why that proposition was not accepted?—A. No.

Q. I have a note here when the department took possession but as you have not the information there is no use troubling about it. Was the rental fixed and based upon your report to the department?—A. I could not tell you that.

Q. Can't you figure it out, the amount of the rent for the east half except the top floor?—A. My report to the department was to offer him \$9,200 and the lease was for \$11,040.

Q. Yes, but I think that includes another flat. I think there was another flat that was included in that?—A. The \$11,040, that is without the top floor. That would only be \$22,080. Now the rent for the Militia building is \$25,770.

Q. But that \$25,000 includes top floor, east and west half?—A. Yes, well.

Q. At the rate that you recommended to the department what would the whole Woods building be rented for?—A. I would have to calculate it out. For the gross it is just what I recommended, 38 cents.

Q. But in the first lease it would be \$9,000 some odd and they are paying \$11,000. Have you the number of square feet in the whole building?—A. I have the number of square feet that we rented first.

Q. Under the first lease?—A. Under the first lease. That is all I have got in reference to that.

Q. And that came to \$9,200?

*By Mr. Carvell:*

Q. Pardon me. To what portion of the building did your figures refer?—A. My figures referred to the basement and the four floors.

Q. Of the?—A. Woods building, Militia building.

Q. Which side?—A. I do not know which side.

Mr. SHARPE.—There was the first floor and then five floors added. That made the difference.

Mr. CARVELL.—For the east side. Later on there was a lease for the west side.

*By Mr. Sharpe:*

Q. What is the arrangement now about the heating? You pay four-tenths per cubic foot?—A. Yes.

Q. Who does the heating?—A. Woods.

Q. That is the same arrangement so far as the Canadian building is concerned?—A. Yes, both the same.

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Q. And what kind of coal do they use for that building?—A. I think it is Anthracite. That is what we used when we paid for the half of it.

Q. In Woods offer of November 4, 1903, he speaks of soft coal. I would like to see the letter of November 4th, 1903, a letter to Mr. Ewart from Woods. This is a letter addressed to you by Mr. Woods: 'Dear Sir,—We beg to offer to supply electric power for elevator 18 horse power, all lighting for 210 lights, heating and engineer for a temperature of heat as per conditions in lease, noiseless heating and regulated, also soft coal for A1 grates and attention to same for the sum of \$2,200 per annum running concurrent with the lease.' Was that soft coal just used in the grates?—A. That would be all. That is the only place I know it would be used.

Q. You know that soft coal is now being used for heating the building?—A. I do not know. I would not think it would make any difference so long as they heat it.

Q. The only difference would be a considerable difference in the cost of heating? Soft coal is cheaper than hard coal?—A. You require a great deal more of it.

Q. Do you know the price of soft coal?—A. Somewhere about \$6.

Q. Do you buy it in large quantities?—A. In probably fair quantities.

Q. When you are estimating the cost of heating the building did you inquire how many tons of coal would be used?—A. Of course I did not know how much but I understand that four-tenths of a cent was based on what the building had cost for the two years previous.

Q. How did you arrive at the original cost of the heating?—A. Well, the original cost of the heating, when we heated the building first, he produced all the vouchers.

Q. To whom?—A. To the department.

Q. To whom?—A. He sent them I suppose to the secretary and then they would come to—

Q. Who would pass on them finally?—A. I think I passed on them finally. I think they came to my office.

Q. And as I understand it, under the original arrangement between Mr. Woods and the department Mr. Woods did all the heating and paid all the expenses and produced his vouchers and paid half?—A. Yes.

Q. And without any further calculation or without any further estimate as to the cost of heating this building you calculated that that would cost four-tenths a cubic foot to continue the heating. Is that right?—A. Yes, that is right.

Q. And you made this arrangement to run concurrent with the lease at four-tenths a foot?—A. Yes.

Q. Do you know how many men are required to heat the building and look after the heating part of it?—A. There will be two at any rate.

Q. Two men?—A. Yes.

Q. Do you know how much coal would be utilized?—A. No, but I think we went into that at one time.

Q. Do you know that both buildings are heated from the same furnace?—A. Yes, I understand they are.

Q. And that the same men that would supervise the heating in one building would supervise the heating in both buildings?—A. I do not know whether they would or not.

Q. If there is only one engine to look after?—A. But the men have more to do than putting coal in the furnace. They have to go around and regulate their radiators.

Q. One man could do easily I think?—A. It would be a good deal for one man to do for all that building and attend to the boilers too.

Q. At any rate they heat both buildings from the same heating apparatus?—A. That is what I understand.

Q. They have an underground passage from one building to another under the sidewalk connecting the two buildings?—A. Yes.

Q. How many cubic feet are in the Woods building and how many in the Canadian building for heating purposes?—A. Well, I have not got that with me.

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Q. I have a return here but I wish you would show me how you arrived at it, Mr. Ewart, because you are the gentleman who would make that report?—A. Well, I might and I might not, but I will take a note of it.

Q. Who would make the report as to the cubic feet for heating purposes?—A. Well, I say it should come from me.

Q. Then I want to find out the cubic feet for each building and I want to know exactly how those amounts were arrived at. Do you know whether they include, speaking off hand, the cellar or not?—A. They will include the cellar.

Q. And the space occupied by the engine room?—A. I would say so.

Q. And the space under the sidewalk?—A. That I do not know.

Q. You will ascertain?—A. I will find out.

Q. I suppose I can quote the return? I have a return here of the Woods building, Woods or Militia building, 914,760 cubic feet at four-tenths a cubic foot, \$3,659. The Canadian building, 1,298,993 cubic feet at four-tenths per cubic foot, \$5,196. The total heating of the two buildings, \$8,855. Now in connection with the alterations of the Woods building, would the fixtures of the alterations include the electric fixtures?—A. The electric fixtures are always supplied by the department; they are supposed to be the property of the department.

Q. Would those fixtures be of any use in any other building?—A. You can take them away.

Q. Could you take the electric wiring?—A. You could not take the electric wiring down.

Q. Are they standard size?—A. They are quite serviceable fittings.

Q. Are they standard size that would fit any other?—A. Oh, yes, they would fit any.

Mr. SHARPE.—It is one o'clock and I suppose we may adjourn.

The committee adjourned until Monday, March 14.

# HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

MONDAY, March 14, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock, a.m., Mr. Sinclair presiding.

The committee proceeded to the further consideration of a payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Woods' properties, Queen and Slater St., Ottawa, as set out at V—136, Report of the Auditor General for the year ending March 31, 1909.

Mr. DAVID EWART, chief architect, Department of Public Works, recalled:

*By Mr. Sharpe (Ontario):*

Q. Mr. Ewart, you were to produce the plans of the Woods building?—A. I have them. (Plans produced.)

Q. And you were also to produce the plans of the Canadian building?—A. Yes, I have them both here.

Q. How do the partitions correspond in the west half of the building with those in the east half of the building?—A. Oh, just looking them over I would say there would be about twice as many lineal feet in the half of the building that the govern-



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ment put up as what there was in the half he put up; I do not know whether it is east or west.

Q. Have you examined them carefully?—A. These plans I have were made for the building.

Q. They were not made before the partitions were put in?—A. No, these plans have all been prepared since the building was finished.

Q. Hadn't you certain plans before the building was started at all?—A. We had, to a certain extent.

Q. And do all those plans made previously correspond to those in your hands?—A. They do, to within a foot or two.

Q. How do these partitions, &c. correspond in the Canadian building with those in the Woods building? Are they more or less?—A. There are more in the Woods building than what there are in the Canadian building; the rooms in the Canadian building are much greater.

Q. And there is another story?—A. Yes, two stories, and the rooms in the Canadian building are more like flats, they have no partitions in them at all.

Q. That is the Canadian building?—A. In the Canadian building.

Q. So that there are more partitions in the Woods than there are in the Canadian building?—A. In proportion to the size.

Q. Can you explain how the partitions in the half of the Woods building, in which the government was responsible for one-half, cost the country \$31,351, and the partitions and alterations on the part of the Canadian building cost the country \$91,981, if there were more partitions in the Woods building than in the Canadian building.

Mr. CARVELL.—Cost the country one half of that.

Mr. SHARPE.—Yes, one-half of that?—A. The partitions in the Canadian building were valued at so much per foot run, and that was done before they were put up, that is on the second contract.

*By Mr. Sharpe:*

Q. You understand my question exactly; the partitions and alterations that were made in the Woods building cost a total of \$31,351, and you say that there were more partitions in the Woods building than there were in the Canadian building.

Mr. CARVELL.—In proportion.

Q. In proportion, yet the partitions and alterations in the Canadian building cost \$91,981; how do you account for that great discrepancy between the two?—A. Because one building is so much larger than the other.

Q. It is only two stories higher?—A. Yes, and it is longer too.

Q. That would not amount to that much difference?—A. I can answer that question this way, that we took out all the partitions that have been put in the building and we compared the price that he paid for them before they were started on, and we approved that price per foot.

Q. Coming back to the Woods building do you say there are more partitions in the west half of the building than in the east half?—A. Yes.

Q. When Mr. Woods stated that the cost of the partitions on the east half was \$16,000 in his letter of August 19, 1903, he stated:

The expense of making divisions of terra cotta, also lavatories, basins, closets, &c., to suit your ideas and we find this will cost about sixteen thousand dollars. —and he would do that at his own expense; how do you account for the half for which the government was responsible costing \$31,351?—A. Well, I cannot, that is a thing I have never seen or heard of before.

Q. This is his letter of August 19, 1903, where he stated that the partitions, &c., which he would do under his lease would amount to \$16,000?—A. Well, I could not say how he arrived at that.

Q. You do not know how he arrived at that?—A. No.

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Q. There is a letter from Mr. Woods to the department before the second lease was executed stating that he would do all the repairs at his own expense, that was on August 8, 1904?—A. Yes, I see.

Q. Why did the department then assume one half of the expense when he said he would do it himself?—A. Well, he does not exactly say that he will do it there.

Q. At his own expense?—A. He says if they give him a sufficiently long lease.

Q. A sufficiently long term in his opinion was ten years, the same as the first lease.

Mr. CARVELL.—They did not give him that.

Q. Why didn't they give him that?—A. I could not say.

Q. Who would be responsible for that?—A. That is a matter that would be discussed by the deputy minister, it was never discussed with me.

Q. Would the deputy minister or the minister be responsible for that?—A. I could not say.

Q. Who would have full charge and responsibility of determining the length of the lease?—A. I think it would be discussed between the deputy minister and the minister.

Q. The deputy minister and the minister?—A. Yes.

Q. The first year was a ten years' lease?—A. Yes.

Q. And the second year was a five years' lease, with the option of renewing it for five years?—A. That is not a matter that I have anything to do with.

Q. You haven't anything to do with that?—A. No.

Q. Do you know that when the lease for the building occupied by the Railway Commissioners was being negotiated there was a clause put in there that if the government does not renew for five years, then Mr. Woods is to be paid one-half the amount expended to prepare the building for the Commission; that would be a reasonable clause to insert in the lease, would it not? For instance, if there are extensive alterations to be made in the building—

Mr. CARVELL.—Do you think you ought to ask that question?

Mr. SHARPE.—I think so; why not?

Mr. CARVELL.—You are asking him to pass judgment upon his superiors.

A. As regards the making of the lease that is something I have nothing whatever to do with.

Q. The lease in respect to the building occupied by the Railway Commission was for five years, with the option of renewing for five years, and if the department did not renew for the extra five years they were then to pay Mr. Woods half the expense he had incurred to put in the partitions and make the alterations necessary, are you aware of that?—A. No.

Q. I am reading now an extract from the report of the committee of the Honourable the Privy Council, approved by the Governor General on February 22, 1904:—

That this officer reports that the estimated cost to put up fireproof partitions, doors, skirtings, plumbing, &c., is placed by him at \$6,500.

The minister recommends, in view of the above request of the Railway Commission and of the report of the chief architect of the Department of Public Works, that authority be given to rent the premises owned by Mr. J. W. Woods on Queen street in Ottawa city for the yearly rental of \$5,300, the rent to be for a term of five years, renewable for an additional term of five years at the same rental at the option of the Department of Public Works, it being, however, understood that should the said department decide to not continue the rental after the first period of five years, then it shall pay to Mr. Woods one-half of the amount expended by him in preparing the building for the occupation of the Commission, and should the department decide to continue such rental for a further term of five years, then the owner to bear the total cost of the improvement made and the department not to be bound to reimburse any part or portion of the same.

That was done on your recommendation, Mr. Ewart?—A. Well, I had no remembrance of it.

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Q. This is an extract from the report of the Privy Council. Why did you not recommend such a clause in respect to the Woods building and the Canadian building?—A. I did not—I made no report in reference to the Woods' building in reference to any clause at all.

Q. Well, the minister recommends, 'in view of the above request of the Railway Commission and the report of the chief architect?'—A. Have you my report there?

Q. No, no report, but presumably you reported in favour of recommending that?—A. Well, I do not remember at the present time.

Q. You do not remember?—A. No.

Q. It would be a reasonable thing for you to remember, would it not?—A. I would say it would be a reasonable thing whenever the department only rented the building for a few years.

Q. They should pay part of the expense?—A. They should pay part of the expense.

Q. And when they renew the lease then they should not pay any of the expense?—A. It would seem that would be the proper way.

Q. You think that would be the proper way and I quite agree with you. We may not get through with you to-day, and if we do not I wish you would just make out the number of the divisions on the authorized plans?—A. I have the number of them already.

Q. You have them?—A. Yes.

Q. Summed up and everything?—A. Summed up.

Q. I wish you would state the number of feet in the partitions in the east half of the Woods' building?

Mr. CARVELL.—Was that the first lease?

Mr. SHARPE.—Yes, the first lease.

Mr. CARVELL.—Then this would be the lineal feet, I presume?

The WITNESS.—Yes, it is lineal feet. Well, I have not the number that Woods put up himself.

*By Mr. Sharpe:*

Q. That does not afford us any means of comparison. Woods put the estimate on what it would cost him to do it. Without that estimate we cannot make any comparison as to the partitions that the department put up. However, give us what you have got?—A. The department put up under the lease for the Woods' building 1,965 lineal feet.

And that was for the Woods' building, the two top stories?—A. Yes, what the government put up, 1,965 lineal feet.

Q. Now, take the Canadian building?—A. Well, the Canadian building first leased, that is the west half and the two top floors, 3,780.

Q. And the other the east half?—A. The east half 1,496.

Q. All right, we will let that go for the present. Now when did the department first take possession under the first lease?—A. I have not been able to find out. I am trying to do it but I have not got that yet. That does not come under me.

Q. The second part of the building?—A. In the Canadian building in the last lease. They took possession of part of it in February, in the month of February.

Q. In what year?—A. In 1908, I think it was.

Q. The lease was not dated until April, 1908. They could not take possession before the lease was dated. That must be 1909?—A. No. I have the dates when the lease expires.

Q. But you have not the date when they took possession?—A. No. I have the date when the leases expire.

Mr. CARVELL.—I think they must have taken possession, Mr. Sharpe, because you will find that the first payment was due the 24th April, 1908.

Mr. SHARPE.—That is the remarkable part about it.

Mr. CARVELL.—It is not a very remarkable part to have a document antedated,



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dated differently from the time it took place.

Mr. SHARPE.—It is rather remarkable to have a lease drawn up before the building was completed and the lease executed

Mr. CARVELL.—That is not shown.

Mr. SHARPE.—I think we will be able to prove that.

Mr. CARVELL.—There is nothing unreasonable in the lease being dated the 24th of April.

Mr. SHARPE.—Negotiations were pending and they could not get possession of the building until after the lease was executed because the building was not completed.

*By Mr. Sharpe:*

Q. You made the estimate as to the Woods' rent, what a reasonable rent should be?—A. Yes.

Q. Under the first lease?—A. Yes.

Q. And did you recommend that as reasonable?—A. I recommended that he should pay for that.

Q. Did you recommend that that would be reasonable?—A. Well, I said that I suggested that Woods pay for that. Of course I must have thought that was reasonable or I would not have done it.

Q. And do you think it was reasonable?—A. Yes. I think it was reasonable.

Q. Then if you thought that was reasonable you would not think the second lease was reasonable where we were liable for half of over \$30,000 for permanent improvements? Is that right?—A. Well, there are two ways of looking at that. In reference to the rent of the building; when you go to rent a building, you do not go and ask the proprietor what it has cost him. You go and compare it with what you are paying for other places.

Q. I am not talking about the cost of construction?—A. You are talking about rent.

You arrived at that, it was your own estimate, and one-half was \$11,040 when Woods did all the improvements himself. The next lease was for a similar floor space \$11,040, but the country became responsible for over half the permanent improvements amounting to something over \$30,000. Now if the first lease was reasonable and you recommended it, you would not recommend the second lease on those terms?—A. Well, I don't know.

Q. Were you asked to recommend it?—A. I was not.

Q. Was your opinion asked at all?—A. None whatever.

Q. If it had been you would not have recommended it would you?—A. I don't know.

Q. In view of your previous recommendation?—A. Oh well, but things go on very fast.

Q. They did in connection with this lease apparently?—A. You take property in Ottawa—

Q. Yes, but in less than two years it would not move that fast.—A. Well, I have known property to move double that in that time in Ottawa.

Q. If it moves so fast as that why did Mr. Woods in his offer to the department say he would lease the balance of the building at the same rental and do the repairs himself?—A. I don't know.

*By Mr. Carvell:*

Q. Just on that point, Mr. Ewart. Suppose that lease expired to-day could you renew it at the same figures?—A. No, we could not, we could not begin to do it.

*By Mr. Sharpe:*

Q. You would not expect to get the buildings at the same rent seeing the department paid over half of \$120,000 in permanent improvement, capital expenditure on

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the buildings? That enhanced the value of the buildings did it not?—A. Oh certainly.

Q. And by reason of that capital expenditure on the buildings the assessment went up and we were paying more taxes in respect of them is not that right?—A. Yes.

Q. Now, Mr. Woods, had not the idea that the building had enhanced very much in rental value, or other value, otherwise he would not have written the letter we have read of August, 1904, that he would put in the improvements at his own expense, if we gave him the same term of lease, could he?—A. Well, if he got a 10 years' lease.

Q. That was the same term as the first lease, wasn't it?—A. Yes.

Q. Now, when arriving at the estimate of the rental value you told us the last day you were here, I think, that you valued the cellar at the same value as the other flats?—A. Yes, all at the same value.

Q. Was there ever a counter proposition made to Mr. Woods, that you would offer him so much less?—A. Well, that is what I could not say.

Q. You do not know anything about that?—A. I know that—

Q. Now in making your measurements did you, as I understood it, was it by the square foot or cubic foot?—A. The superficial foot, floor area.

Q. Did you deduct from that the space occupied by the engine room?—A. No.

Q. You allowed him for the rent of the engine room?—A. Yes.

Q. And you allowed him for the space occupied by the elevators?—A. Yes.

Q. You also allowed him for the space occupied by the stairways?—A. Yes.

Q. The only deduction you made was a small deduction for one large chimney?—A. Yes. Of course when the building was measured probably there were no partitions up, they were building, they were engaged on the work; at the time I measured it they had only two stories built.

Q. Yes, but before the lease was finally executed it was completed?—A. That was the only time I measured it, when the building was in course of erection.

Q. You measured between the walls?—A. Yes, between the walls.

Q. And you made no allowance for engines or stairways or elevators?—A. No.

Q. Is it usual for the department to rent a building by the superficial foot?—A. Yes.

Q. That is the practice, is it?—A. No, it is not exactly the practice.

Q. Would you approve of that practice?—A. It is done, really—

Q. Would you approve of that practice by the department?—A. Of renting by the superficial foot?

Q. Yes?—A. Yes, I believe it is the best way to do it.

Q. Don't you believe in making an allowance for the engine room, the stairways or elevators?—A. If we had only been renting one or two rooms we would have measured differently, but when we were renting the entire building it was a different thing; we would have to pay, perhaps—you take rents for offices measured by the actual foot space in Ottawa, and the rents run from \$1 to \$1.25 a foot; that is what the Grand Trunk Railway is asking for offices down at the station.

Q. There is no doubt my hon. friend will bring out the rentals charged for other buildings, but we do not want to be bothered with it just at the present time. Now, in respect to the heating, we are paying so much per cubic foot?—A. Yes.

Q. And in respect to the heating, when you calculated the number of cubic feet you also calculated the cubic feet in the engine room?—A. Oh, yes.

Q. And in the cellar?—A. Yes.

Q. And we are paying so much per cubic foot to heat the engine room?—A. Yes, for the whole building.

Q. How did you arrive at the cubic contents of the building; did you go as far as the foundation?—A. Yes, we went as far as the foundation; the cubic contents at 4ths cent, the Woods building, the Militia building, is 154 feet long, 66 feet wide and 90 feet high.

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Q. It is 154 by 66 feet?—A. Yes, by 90, and that gives 914,760 cubic feet.

Q. Yes, and what was the other one?—A. The other one—I could not get it to come out just to a foot or two of what we have been paying for—but what I have is 183 feet 5½ inches by 65 feet 9½ inches by 102 feet 4 inches high. And then the annex, there is another little piece 19 feet by 32 feet 6 inches by 102 feet 4 inches high.

Q. Now, is all the Canadian building occupied by the department or is there a floor or two up above vacant?—A. I think it is entirely occupied; I do not think there is a vacant room in it.

Q. When estimating the cubic feet you went right down to the bottom of the foundation, did you?—A. No, to the basement floor.

Q. To the cellar floor?—A. To the cellar floor.

Q. And you measured it just on the inside?—A. Yes.

Q. And that would be the net measurements, on the inside of the walls?—A. No, that is a little more than the net measurements.

Q. It is a little more?—A. Yes, a little more than the net measurements.

Q. Why have it more?—A. Well, remember I did not measure that at the beginning, but to get out that you had to give a few inches on the wall.

Q. Now, in the Woods building, under the first lease, did we put out any capital expenditure?—A. Not that I remember of.

Q. You should know whether we did incur any expenditure under the first lease or not?—A. Well, I would not like to say positively until I make some inquiry.

Q. Is there no expenditure shown on the records of the department?—A. Not so far as I have seen; I have gone over it.

Q. The electric light fixtures were not all paid by Mr. Woods?—A. I know the electric fixtures were all paid by the department.

Q. Yes, what we did under the first lease, Woods paid for that?—A. I would not like to say that; I am not certain.

Q. Now, the second lease of the Woods' building and also the third lease were dated on the same day, why wasn't that all put in the one lease?—A. Well, I can't tell.

Q. Now, this is an extract from the report of the Privy Council, dated August 10, 1905:

The minister stated that the said draft leases are based upon that which was entered into last year for that part of the building which is now occupied by the Department of Militia and Defence, the conditions being the same.

I will read on, but up to that point the conditions were not the same, were they?—A. Well, not the same.

Q. If it stopped there that would not be a correct statement of the facts, would it?—A. No, I say not.

Q. But it does not stop there, it goes on:

The conditions being the same the time of occupation being made to coincide with the conditions of the lease at present running, the price of the rental being also the same, namely, 36 cents per square foot——

A. I thought it was 38 cents.

Q. This is what it says here, 'and the arrangement for the interior fittings being that each party, Mr. J. W. Woods and the Department of Public Works, will pay half the cost thereof upon proper vouchers, duly approved by the chief architect of the Department of Public Works being supplied.' Reading that over you would say, would you not, that the opinion they had in their minds was that under the first lease Woods and the department would each pay half the expense?—A. Well, the latter part of the report would convey that idea.

Q. That whole report would convey the idea that they were under the impression when that order in council was passed that the conditions of the second lease were the same as the first lease?—A. Well, no, it does not say that there.



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Q. It does not say that?—A. No, I would not say that.

Q. (Reads): 'The conditions being the same, the time of occupation, being made to coincide with the conditions with the lease at present running.' That is correct. (Reads): 'the price of the rental being also the same.' That is correct?

Mr. CARVELL.—You would hardly say putting up partitions would be a condition of lease.

*By Mr. Sharpe:*

Q. Do you think that was present to the minds of the Privy Council when that order was passed?—A. I don't know what was in their minds.

Q. Well, the document speaks for itself?—A. There is only one of the two——

Q. There were two conditions that were the same, but the other condition that was also mentioned was altogether different?—A. Well, the other lease expired at five years.

Q. Yes, no doubt about that. Now, under the second lease, was there a passenger elevator in the Woods' building on the west half before the second lease was entered into?—A. I could not tell you.

Q. You do not know?—A. No.

Q. Let us see what it says. (Reads):

And the said party of the first part doth hereby for himself, his heirs, executors, administrators and assigns, covenant with the said party of the second part to divide the premises hereby demised in accordance with a plan to be submitted to and approved by the Department of Public Works aforesaid, by properly constructed terra cotta, expanded metal or other fireproof partitions having surface finished and plastered; to place a wash basin with water service and drainage in each and every room; to fit up a sufficient number of water closets, sinks, lavatories with water service and drainage to the satisfaction of the party of the second part; also to construct a passenger elevator; all the plumbing, piping, fittings and material throughout to be of the most modern and sanitary character; and also that the said premises shall be supplied with heating apparatus and shall be able to furnish a temperature of 50 Fahrenheit at all times with ordinary firing in it; the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control.'

Do you think it was part of the department's duty in connection with partitioning and altering the building to put in an elevator or to pay half the cost of installing an elevator?—A. Well it all depended upon what bargain was made.

Q. There was no provision to that effect in the first lease?—A. Not that I know of.

Q. Mr. Woods put in his own elevator under the first lease?—A. That is what I could not say.

Q. Under the first lease Mr. Woods was to provide a passenger elevator, and heating, and make all the partitions himself?—A. Well that I don't know. I had nothing to do with it.

Q. How is the building heated, by hot water or hot air?—A. It is heated by steam.

Q. Heating apparatus for heating the whole building would require to be put into the Woods' building?—A. Of course. He occupied more than half the building himself at that time.

Q. Well he would have all that heating apparatus to heat the whole building under the terms of his first lease?—A. It requires very different heating for a factory than for offices.

Q. I am not speaking about that at all, I am speaking about the heating. He would need to have heating apparatus or he could not occupy the building?—A. Oh, yes.

Q. Then why did the government have anything to do with the heating at all?—A. Because the heating would not suit.

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Q. Why?—A. Because the heating of that was by long pipes all the length of the building. When you fitted the building into offices you had to heat each office.

Q. I see and the department paid half the expenditure of heating each office?—

A. That is what I understand.

Q. Did they also pay for half of the heating apparatus, the boilers and engines?

—A. That I could not say.

Q. Is there not any way by which you could find out?—A. I think we might.

Q. I would like to know that. Now under the second lease would brick and concrete work have to be done?—A. Under the second lease?

Q. Yes?—A. Well if the walls are—it is fireproof, the walls would have to be built in brick or terra cotta.

Q. Were they built of brick or terra cotta?—A. I would not like to say. Part may be brick and part terra cotta.

Q. What would the plumbing and heating consist of, pipes for each of the offices?—A. Well it would consist in bringing your pipes to the wash basins. The heating would be the same and it would be the same for the water closets.

Q. The plumbing of the building under the second lease cost \$5,162?—A. Looking at the size of the building that appears to be a reasonable price.

Q. Has the department installed any Otis Fenson elevators in its own buildings?—A. Yes.

Q. What did they cost?—A. It depends a good deal whether the elevator is an inclosed elevator with a grill work all around it. They run about \$6,000—this elevator with the grill work or anything like that would run, I suppose, about \$6,000, and of course remember it depends upon the height of the building. If it is a high building it will cost more than that.

Q. The height would not make such a difference in the proportion of the work?—A. You take the height of the grill work.

Q. We are not speaking about the grill work now, but the ordinary expenditure upon an elevator for car and machinery?—A. Taking the ordinary run, you would get an elevator for a building, say of five or six stories, for about \$6,000. It will cost you about \$2,000 to inclose it with grill work. That is about what it will run.

Q. And the first elevator put in cost \$6,180?—A. Well, that is a reasonable price.

Q. You think that is a reasonable price?—A. Yes, that is a reasonable price.

Q. And we put in iron stairs at \$770. Do you think that was part of the department's work, putting in stairs in that building?—A. Well, it was just as much that as putting in partitions.

Q. Could a building be utilized for any purpose at all by Mr. Woods or anybody else without having elevators and stairways in it?—A. No, I don't see how it could.

Q. 'Vault, fittings, partitions and grills, \$2,400.' Could the building be utilized and the vault be utilized without the fittings and the partitions?—A. No, not to advantage.

Q. Now, I want you to find out whether we paid anything for the electric wiring and fittings under the first lease. Do you know who paid for them under the second lease? Who paid for all the electric wiring and fittings under the balance of the leases?—A. I would think, according to the agreement, that the government would pay them half.

Q. Would pay the half of all the wiring?—A. Well, the wiring for the halves that they are occupying.

Q. And also for a half the fittings, the fixtures?—A. What do you mean by fixtures, the electric fixtures?

Q. Yes, the electric lights?—A. I understand they paid for the whole of that, because it is supposed to be the property of the government.

Q. Why would they pay for the whole of the electric fixtures?—A. That is a common thing to do.

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Q. When you have only a five years' lease?—A. Well, you take them away with you.

Q. What good would they be in another building besides the Woods building at the end of five years? If the department ceased to have this place rented what would they do with these fixtures?—A. Put them in another building.

Q. What other building would you require?—A. You must have offices, unless the country is going to go down.

Q. Do you think it is a reasonable provision for the department to pay one-half the expense of wiring the building and at the same time to pay for the whole of the fixtures?—A. Yes, I think that is reasonable enough.

Q. Was not the real reason why the department bought the whole of the electric fixtures that the department might import them duty free, whereas Mr. Woods would have to pay duty on them?—A. No, we do not get anything duty free.

Q. Well, it is only taking the money out of one pocket and putting it in the other?—A. We have to pay it, I know.

Q. Mr. Woods did not pay for these?—A. I cannot say anything about it.

Q. You know there is correspondence with Mr. Woods about the fixtures?—A. I cannot say anything about that.

Q. Let me refer you to the correspondence where there is a dispute as to whether the department should pay the whole of the expense of the fixtures, or whether they pay a half, and Mr. Woods contended that the fixtures should belong to the government, and that the government should pay for them all, and then he would not have to pay duty?—A. In all the places we rent, we put up fixtures and take them away when we leave the building.

Q. Will you give us an instance where that has occurred, I think it is an extraordinary provision myself.—A. What, that?

Q. Yes, give us an instance?—A. Well, I do not remember just at present.

Q. Can you tell us any other case?—A. Well, I am trying to think, but I do not remember at the present time.

Q. So that they are not very frequent?—A. Well, we have not vacated many buildings; we have down on Slater street.

Mr. CARVELL.—I do not know whether the witness exactly understands; you are asking the witness if he recollects any instance where they have taken down fittings, is that it?

Q. No, where they have actually put them in. Can you give us any instance where we have actually rented a building and put in electric fixtures at our own expense?—A. When we rent a building, as a rule the fixtures do not suit our purpose at all, and we send our own men and put them up.

*By Mr. Carvell:*

Q. Give us an illustration.—A. I remember when I rented this building, what we call—the building on Sparks street, at the time of the fire, when the buildings were burnt.

*By Mr. Sharpe:*

Q. You mean to say we took off their fixtures and put on others?—A. Because their fixtures would not suit us at all.

Q. They had fixtures there and you wanted to change them to suit your own convenience, that is a different matter altogether from starting in a building and putting in at the department's expense their own fixtures.—A. I do not know that the fixtures were in, I will have to look it up; but when we came to occupy this building down on Sparks street.

Q. What building, the Seybold building?—A. No, not the Seybold building, the Sherwood building.



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*By Mr. Carvell:*

Q. That is the one used for the Census Department at one time?—A. No, that is another building—the Sparks Chambers.

*By Mr. Sharpe:*

Q. Where not these two passenger and freight elevators in the Woods building before the lease was executed by us at all?—A. I can't tell you.

Q. If they were erected before the lease was executed by the government, wasn't it an unwise thing to pay one-half of the cost?—A. I do not think there were any passenger elevators in the building at all, there were freight elevators.

Q. You do not think the passenger elevators were in there?—A. No, I do not think they were.

Q. They were in there at any rate before we leased the two top stories?—A. There would be one in there before we leased the top stories, at least, I think so.

Q. But the top stories were leased at the same time as the other portion of the building was leased.

Mr. CARVELL.—As the other half of the building was leased.

*By Mr. Sharpe:*

Q. So that the two passenger elevators and the two freight elevators he had for his own use must have been in at the time?—A. The freight elevators he had for his own use were of no use to the department.

Mr. CARVELL.—Pardon me, you have gone over this thing carefully, Mr. Sharpe, and I do not just understand yet what portions of this building were included in the three several leases.

Mr. SHARPE.—The first lease included the east half except one top floor, the second included the west half except the top floor, and the third the two top floors.

Mr. CARVELL.—Then, according to that the lease of the two top floors expires in 1913, and the east half, all but the top floor, expires in 1910.

Mr. SHARPE.—Yes.

*By Mr. Sharpe:*

Q. Who paid for the window shades on the building?—A. I could not say.

Q. Now, the third lease of the two top stories, No. 5695, provided for a passenger elevator, for paying for the expenses of a passenger elevator. These premises could not be utilized for any purposes without elevators, could they, or without stairways?—A. No, they could not, certainly not.

Q. Can you tell whether under the third lease we paid for any elevator expenses or not?—A. No, I do not know. I do not know what is in the leases.

Mr. CARVELL.—You have the leases there; they will tell you, I have not read them over.

Mr. SHARPE.—This is the lease No. 5695, it is the third lease; the lessor shall put in fireproof partitions, wash basins, with water service and drainage in each room, water closets, sinks and lavatories, with water service and drainage to the satisfaction of the said lessee, all plumbing, piping, fittings and material of the most modern and sanitary character; also to supply said premises with heating apparatus that shall be able to furnish a temperature of 75 degrees Fahrn. at all times with ordinary firing. the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control; it being expressly understood and agreed that the said heating apparatus shall be built in and constructed by and at the cost of the said lessor, and shall also include all necessary piping and connections, valves and other requisites, the whole to the satisfaction of the lessee; that the said lessor shall wire the said premises for a number of electric outlets sufficient for all lighting, and shall install and erect a modern electric passenger elevator. Provided always, and it is expressly understood and agreed that the cost of the several

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works—that looks fair enough, of course, up that far, that he would do this at his own expense, but the subsequent clause in the lease controls that:—

Provided always and it is expressly understood and agreed that the cost of the several works enumerated and described in the foregoing clause and any other alterations and additions that may be required by the said lessee (His Majesty) shall be borne by the lessor and lessee each for one-half of the same, as ascertained to the satisfaction of the said lessee.

But why, entering into a lease for the top story of the Woods building should we pay for one-half of the elevator service which is already installed? Is not that a most extraordinary lease?—A. I do not think you should pay twice, anyway; but whether it is right or not——

Q. If it had been already installed, should we pay for any of it? If the elevator had been already installed under previous leases and we rented the two top stories, should we pay for any of the elevator service?—A. I do not know——

*By Mr. Carvell:*

Q. Did you answer that question or not?—A. I did not give a straight answer to that.

*By Mr. Sharpe:*

Q. Do not be frightened, you would not do any harm by answering it?—A. I am not frightened.

Q. You need not be frightened to answer a civil question like that. Now, taking the Canadian building, the first lease is dated—do you know when we took possession under the first lease of the Canadian building, the west half and the two top stories?—A. The Canadian building?

Q. Yes?—A. As far as I have been able to learn just as the floors were finished they were taken possession of.

Q. As the chief architect you would know when those were ready for occupation?—A. No, that is not a matter that would come under me.

Q. Would you not report when they were ready for occupation?—A. No.

Q. Would you not go down and inspect the repairs when they were being done?—A. Not personally; the officers in my department would.

Q. Have you not some correspondence to show when you notified the different departments that these floors were ready for occupation?—A. No, the different departments went in. They were waiting to go in.

Q. Well, the first lease of the Canadian building is dated 13th September, 1906, for the west half and the two top stories. It was a five year lease, and they dated it from 1st January, 1906. Why did they do that?—A. I cannot tell.

Q. That is months before the lease was executed; they dated it back to the 1st January, 1906. I ask you again why did they do that?—A. I cannot tell you. I had nothing to do whatever with reference to the leases.

Q. (Reads): 'During the term of five years to be computed from the first day of January, 1906,' although the lease was not executed until 13th September, 1906. That was extraordinary, was it not?—A. Well, there may be some reason for it, but I don't know.

Q. Did you make any recommendation along that line?—A. Not as far as I remember.

Q. And under that lease we were paying \$27,330.36 a year?—A. Yes.

Q. That is for eight months there was nearly \$20,000 rent accrued and due before the lease was executed. Do you know where the first rent was paid under that lease?—A. No, I could not say.

Q. I have a return from the department showing that the first amount was paid in August, 1906?—A. Well, that I do not know.

Mr. CARVELL.—Now, Mr. Sharpe, in order to make this thing plain, if you will

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just read and put in evidence the order in council authorizing the lease of that building you will find that it states that the building is 'at present being occupied by branches of the Departments of Agriculture, Railways and Canals and Marine and Fisheries.'

Mr. SHARPE.—This is on the 4th September and only part was occupied, the balance of the building—

Mr. CARVELL.—The order in council states the fact that it was then being occupied.

Mr. SHARPE.—I will show from the correspondence that it was not then completed.

Mr. CARVELL.—That may be, I am not going to say, you cannot do that.

Mr. SHARPE.—Of course part of it may have been. I want Mr. Ewart to give the date when the department took possession of the building, but he is not able to do it.

The WITNESS.—I have been trying to do it. It has taken all my time. I wrote nearly all yesterday to get the information I have here now.

Q. Is it usual for the department to take possession of a building before the terms are fixed and the lease executed?—A. Well, I could not tell that.

Q. Would you recommend such a thing?—A. No, that was not a proper thing to do, I would say.

Q. The heating of both buildings cost us \$8,855. Do you know what quantity of coal it required for each building?—A. Well, the building was heated conjointly for two years and the quantity of coal was taken up at that time, I know. I have not got the quantity here.

Q. Did you estimate the quantity of coal before you recommended heating on this plan?—A. I never recommended heating on that plan.

Q. You never recommended heating on that plan?—A. No, not as far as I remember.

Q. You would not recommend heating on that plan?—A. It is a common enough thing to heat by the superficial foot, but not by the cubic foot.

Q. Not by the cubic feet?—A. No.

Q. Do you know of any other building under the control of the building that is heated by the cubic feet?—A. No, not that I know.

Q. Do you think that it would be a reasonable thing to pay for the heating by the cubic foot of the engine room?—A. It all depends upon the rate made up.

Q. Of course? But surely you would not pay by the cubic foot, just the cubic contents of the whole building?—A. It all depends upon the way you take to arrive at it. If you take the quantity of coal consumed and the wages that is paid to the workmen and then compute it in that sort of way the engine room should be paid for the same as the others.

Q. Could not the department buy the coal and pay the account the same as Mr. Woods?—A. Oh, well, that is—

Q. They do that frequently, they do that usually, don't they?—A. Well, a number of the offices rented they rent them heated.

Q. That is the way they rent the whole building?—A. No.

Q. When they rent the whole building as in the case of the Woods building and the Canadian building, they do their own heating, don't they?—A. Yes.

Q. It is a very unusual thing, is it not?—A. Well, it is the only case that I know of that is done that way, but as long as it is a reasonable figure it is all right.

Q. Do you think that is a reasonable figure?—A. Yes, I think that is a reasonable figure.

Q. Do you think \$8,855 is a reasonable figure for heating these two buildings during the months they require to be heated?—A. That is arrived at by what it was costing before.

Q. You did not ascertain the exact quantity of coal, the wages paid to the men,



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and all that sort of thing?—A. I understand it was computed from the two years' past experience.

Q. Did you compute it?—A. No, I did not.

Q. So you do not know how it was arrived at. Mr. Doody, will you get me the letter December 31, 1907, to Mr. Ewart from Woods, and also the letter of December 26, 1907? The Canadian building. There was a letter addressed to you dated December 26, 1907? (Document produced.)—A. This is a letter to Mr. Gobeil, this is not to me.

Q. Yes, that one is, but this other one that we are looking for is addressed to you. Judging from that letter the Canadian building was not occupied then?—A. It does not say anything about the completion at all.

Q. It says:

Pursuant to your letter of the 15th of November last, when you agreed to take over the balance of the Canadian building, to be converted into offices for your government, we would ask you to kindly issue instructions to have the lease and order in council prepared and passed, subject to the conditions agreed to. This was dated on the 26th of December, 1907, so that at that time—A. That does not say anything about the building being occupied.

Mr. CARVELL.—It would rather infer that the building was occupied.

*By Mr. Sharpe:*

Q. You do not think they would enter into possession and occupy a building without the order in council and the lease being executed, do you?—A. In a case where there was such a demand for offices as there was at that time they took hold of the offices as soon as they could get into them.

Q. You think they would?—A. Yes.

Q. How is the building lighted?—A. By electric light.

Q. Who pays the cost?—A. The government pays the cost.

Q. To whom?—A. I think to Mr. Woods.

Q. Why do they pay it to Mr. Woods?—A. I cannot tell you that.

Q. Mr. Woods occupies a part of the Woods building, does he not?—A. Only a very small part.

Q. He occupies it for his office?—A. Yes, that is all; we deduct that space when making the computation.

Q. Did you deduct that space when you were calculating about the heating?—A. Well, it is hardly worth while; I suppose it is about 8 or 10 feet square.

Q. You did not deduct it?—A. I would not say as to that.

Q. Did Mr. Woods contribute towards the heating at all?—A. That is what I cannot tell you.

Q. Does the government when it rents a complete building from any person pay for its electric light direct to the company or to the landlord; is there any other case in which they pay to the landlord instead of direct to the company?—A. I think it is always paid directly to the company.

Q. What reason have you for making a change in this case?—A. I do not know.

Q. Is there any deduction made for cash payments to the company?—A. That is what I could not say.

Q. Do you know whether the government gets that reduction or not from the company when it pays through Mr. Woods, or does Mr. Woods get it?—A. Well, I cannot answer that.

*By the Chairman:*

Q. He does not know whether there is a reduction or not?—A. I cannot answer that.

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*By Mr. Sharpe:*

Q. Do you know whether there is a reduction or not?—A. No, I do not know whether there is a reduction or not.

*By Mr. Carvell:*

Q. I want to ask, just for information, do you pay by meter rate in any other instance?—A. No.

Q. It is all by flat rate?—A. All by contract.

Q. Do you know what is the meter rate in this particular case?—A. In Ottawa?

Q. No, in the Woods' building?—A. No, I do not know that.

*By Mr. Sharpe:*

Q. Now, then, look at that letter (document produced.) Is that the letter dated 31st December, 1907, from the Imperial Realty Company, Limited, to yourself?—A. December 31, 1907.

Q. What part of the building does that refer to?—A. It refers to the partitions in the corridors, dividing the rooms from the corridors.

Q. Yes, and it says, 'We are still awaiting plans for the ground floor and basement,' and it is asking about proceeding with the basins and the closets, is it not?—A. Yes.

Q. That would not refer to the corridors?—A. No, that part of it would not refer to them.

Q. So that at the date when that letter was written the premises were not occupied by the department?—A. Not all of them, anyway.

Q. And yet the rent was running on all the same, because the rent starts from the 1st December, 1907. Is that the way the department makes leases, to have the rent run prior to the premises are occupied by the various departments?—A. I don't know, I don't make the leases.

Q. You have nothing to do with that?—A. Nothing whatever.

Q. You do not know how long the lease had been running before the department occupied the building?—A. No.

Q. But you do know from the reading of that letter that the building was not all occupied?—A. Yes, that is quite clear.

Q. That is quite clear?—A. Yes.

Q. Now, under the first lease we had rented from Mr. Woods the west half and the two top floors of the east half of the Canadian building?—A. Yes.

Q. By virtue of that lease we must have had a passenger elevator in both buildings?—A. Oh, I don't know that it would be necessary.

Q. Well, how would you get up until we rented both parts, there was a solid brick wall between the two buildings?—A. But quite a lot of openings made between the two.

Q. After we got the whole of the building these openings were made.—A. You are talking about the top floors now.

Q. Do you mean to say that we used all the one-half of the one building and the two top floors of the other building with only one elevator?—A. There was nothing to prevent you doing that.

Q. Did you do that?—A. Well, I could not tell you.

Q. What is your opinion about it?—A. My opinion is that it would be quite easy to do that.

Q. Did we do it?—A. I told you I could not tell you.

Q. You don't know? You don't know whether the freight elevators in the rear of the buildings and the two passenger elevators in the front were not installed when the building was erected?—A. No, I cannot answer that question.

Q. Is it not likely that they would provide for these elevators when they were erecting the building originally, the two passenger elevators and the two freight

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elevators?—A. I would say that if they intended to put them in they would make provision for them.

*By Mr. Carvell:*

Q. They would leave a space?—A. Yes, that is what I mean.

*By Mr. Sharpe:*

Q. Then we would not have to pay for that, providing there were places for them to run?—A. No, you would not have to pay.

Q. We pay for two elevators, or the half of two elevators, in the Canadian building. Under what authority was that done?—A. It was under the authority of the order in council that you read.

Q. You think it was under the authority of the order in council—?—A. That is—

Q. As a matter of fact, we have paid \$8,000 for each elevator or for the half of the cost of each?—A. Yes.

Q. For both elevators in these buildings?—A. Yes.

Q. How do you account for the difference in the expenditure on the elevators? It is only \$6,000 in the Woods building and \$8,000 in the Canadian building?—A. One is a great deal higher than the other.

Q. Just a story or two?—A. Including the inclosure.

Q. You said we did not have to pay anything for the inclosure?

Mr. CARVELL.—The statement I have gives the cost as \$8,100 for the elevator in the Woods building.

Mr. SHARPE.—In the statement I have it is \$6,180, and partitions and grills \$2,400, but that is apparently a different matter.

Mr. CARVELL.—It is shown as \$8,000 in the statement I have here.

Mr. SHARPE.—Are you sure you are right; is not that for the Canadian building?

Mr. CARVELL.—No, the Woods building.

Mr. SHARPE.—These are the returns that were furnished me.

Mr. CARVELL.—Perhaps Mr. Ewart had better find out which is correct.

Mr. SHARPE.—Yes. From my examination of these documents and the correspondence I find that we have paid for the half of the cost of these elevators after they were installed, and they were installed before the lease was executed.

Mr. CARVELL.—I think you will find that the elevator for the Woods building should be \$8,000. If you take the cost as \$6,000 it will not add up \$31,000 and that is the correct amount.

Mr. SHARPE.—I have taken what they gave here in this statement, that is all.

The CHAIRMAN.—You are not contending that they paid for the elevators twice.

Mr. SHARPE.—Not twice, but we paid them after they were installed and before our lease was executed.

The WITNESS.—They may have agreed to do that before that was done. They must have agreed what they were going to do before they made the lease.

*By Mr. Sharpe:*

Q. Oh, no doubt. These understandings and negotiations were going on?—A. Yes. Well, I do not say there was anything about—

Q. Do you think it was reasonable to pay for the half of two elevators in a building like the Canadian building that could not be used without the elevators under a lease of only five or ten years?—A. Well, it is 'under a five years' lease.

Q. Renewable for five years, but the shorter the period the worse?—A. There is no doubt that—

Q. You had nothing to do with the policy?—A. Nothing whatever.

Q. This is a letter dated November 7, 1906, to Mr. Gobeil, the then deputy minister of Public Works, from the Imperial Realty Company, Limited. (Reads):



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DEAR SIR,—We have completed arrangements with Woods, Limited, to have them vacate the portion of the Canadian building which your government does not at present occupy, and which consists of six flats of 34 feet by 215 feet in depth each. We are prepared to offer you this portion of the building save and except the offices and sample rooms now occupied by Woods, Limited, and the Imperial Realty Company and which occupies about one-half of the first floor. We are prepared to let you have this for 41c. per square foot of floor space within the walls, you to do any work such as partitions, basins, &c. I might state that there are elevators on each floor at present, so that you are not likely to require any more than the present installation.

In view of that letter, how do you account for the department paying half the expense of the two elevators?—A. Well, I cannot account for it in any other way than that they promised to do it.

Q. They state here that the elevators are already installed and they did not promise to do it. The Imperial Realty Company tells the department that they will not need any more passenger elevator service, that there is elevator service already to each floor?—A. Well, it is a matter I do not know anything about.

Q. (Reads): 'I might state that there are elevators on each floor at present so that you are not likely to require any more than the present installation. The other conditions, such as taxes, duration of lease, are to be identical with those contained in our last lease to you. I might state that we have already installed, at our own expense, passenger elevator in addition to the freight elevator which is also installed in this half of the building.' Now, does it not occur to you as extraordinary that the department after that letter should pay half of the cost of the elevator service?—A. Well, of course, I don't know the whole story so I cannot give you an answer

*By the Chairman:*

Q. Who is the officer who has charge of the leasing?—A. The law clerk.

*By Mr. Sharpe:*

Q. But he does not fix the terms and conditions?—A. No.

Q. He merely draws the form of the lease?—A. Yes.

Q. Who decides on the policy of the lease, when it shall commence to run?—A. I would say that would be between the minister and deputy minister.

Q. Between the minister and the deputy minister?—A. Yes, that is what I would say.

Q. (Reads): 'These two elevators should each pay half of such expense would more than make up for the half which we installed in our last agreement.' Now, Mr. Doody, I want another letter of April 24, 1907, and also one of September.

Q. Now, Mr. Ewart, we produce to you a letter of November 7, 1906, where the Imperial Realty Company says there are elevators on each floor at present and that no more are necessary, and that they, at their own expense, have installed passenger as well as freight elevators. That is during the negotiations, and they tell the department that there will be no more expenses incurred for elevator service, but in their letter of April 24, 1907, they state, this is directed to Mr. A. Gobeil, deputy minister, from the Imperial Realty Company, 'In reference to the elevators and the lavatories already installed it is understood that you will pay half the cost of these as obtained in that portion of the building now occupied by you.' Their first offer in November, 1906, was that they would bear the expense themselves, that it is already installed

Mr. CARVELL.—Hold on, are you not importing something into his letter that does not exist?

Mr. SHARPE.—Not that I am aware of.

Mr. CARVELL.—It is the form of your question I am objecting to.

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Mr. SHARPE.—What is it you object to?

Mr. CARVELL.—You say that in their first letter they say they will stand all the expense of putting the elevators in, they simply say they are there.

Mr. SHARPE.—The letter says, 'I might state that we have already installed, at our own expense, passenger elevator in addition to the freight elevator, which also is installed in this half of the building.'

Mr. CARVELL.—There is nothing there about the rental?

Mr. SHARPE.—No, there is nothing about the rental. I am not saying that there is.

*By Mr. Sharpe:*

Q. This is a letter from Mr. James W. Woods, president of the Imperial Realty Company, to Mr. Gobeil, deputy minister, on September 20, 1907, in which he says:

As before stated the additional passenger elevator is already installed, the elevators are ready so that the partitions is the only work needed to prepare it for your occupancy.

Judging from that letter then the elevators were already installed by Mr. Woods before these leases were executed?—A. Yes, but it does not say who is to pay for them.

Q. But you do not expect us to pay them for something that is already installed before the lease is executed?—A. It depends upon the lease.

Q. Listen to what he says:

The elevators are ready so that the partitions is the only work needed to prepare it for your occupancy.

A. That is quite clear.

Q. From that would you judge that we are expected to pay for a half the cost of the elevators?—A. It does not say whether we will have to do it or not to do it.

Q. From a fair reading of that letter would you take it that we are paying for the elevator?—A. Taking all things into consideration, the provision where it is stated we had to pay, I would say that.

Q. He does not state that until afterwards.—A. Yes, I understand it.

Q. Read the letter, look at the letter and see (document handed to witness).—A. I would just say that it does not say who is to pay, that is all I can say.

Q. I have read you the letter of November 7, 1906, where he said the elevators are on each floor, that no more are necessary, and that at his own expense he installed the passenger as well as a freight elevator, then he follows it up with the letter of September 20, 1907, in which he says that the additional passenger elevator has been installed, that the elevators are all in, and that is all the department was supposed to pay, wasn't it?—A. That all depends upon the agreement, and I do not know what the agreement was.

Q. This is an order in council. 'Certified copy of the report of the committee of the privy council, approved by His Excellency the Governor General on March 9, 1908.' This was in connection with the second lease?—A. Was that on the Canadian building?

Q. Yes. We had already the first lease executed?—A. Yes.

Q. Providing for the lease of the half and the two top stores?—A. Yes.

Q. This is providing for the balance of the Canadian building?—A. Yes.

Q. (Reads):—

The minister states that the company have agreed to lease the eastern half of the basement, ground or first floor, second, third, fourth and fifth stories at the same price and under the same conditions as stipulated in the existing lease for the western portion, the amount of rental and other covenants being considered fair and reasonable.

Now, listen to this (reads):—

The department to pay upon presentation of vouchers duly certified by the

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chief architect, one-half of the cost of the alterations made necessary by the special service to which these offices will be put.

We were merely to pay one-half of the alterations. Were the elevator services altered in any way?—A. I cannot tell you.

Q. You would know whether they were not, you were the chief engineer and reported on it?—A. I never reported on the elevators. I reported on the balance of the work.

Q. Do you think that paying one-half of the cost of elevators already installed comes within proper alterations?—A. The word 'alterations' there is not a proper word because there were no alterations at all, it was all additions.

Q. Well there were partitions, altering the internal arrangements of the building, instead of having one big room. That is altering the internal arrangements, do you not think alterations was a proper word?—A. I would hardly call it so, not in my phraseology.

Q. But you put in partitions, which was altering the internal arrangements. Is not alterations a correct word then?—A. Well, that is—

Q. Is not that right?—A. I would not use that word in that place. However, that is all right.

Q. If we altered the internal arrangements in any room—A. I would think that altering would be taking something down and putting another thing in its place. But there was nothing taken down.

Q. Altering would include putting in partitions and changing the size of the rooms?—A. Well, that may be the meaning for it.

Q. Do you think that alterations would include paying one-half of the service of an elevator installed?—A. No, I would certainly not—

Q. So the order in council has been disputed so far as that is concerned?—A. I don't know.

Q. You do not know?—A. No, I do not.

Q. Alterations do not include paying half the service of an elevator already installed, does it?—A. Not so far as I know.

Q. As an architect you know that. I know that and I am not an architect?—A. All this thing is not about architecture at all. If you talk to me about architecture I will be pleased, but this not not architecture. Architecture has nothing whatever to do with that sort of work.

Q. You know alterations do not include paying half the service of an elevator that is already installed, does it?—A. I would say it would not.

*By Mr. Smythe (Algoma):*

Q. What is the reason you did not report on the elevator part of the building?—A. Well, I reported on very little of the building.

*By Mr. Sharpe:*

Q. Did you not make a report? You drew the plans as to the alterations that were necessary?—A. The matter was done this way: there were sketches made and sent out to the different departments. They arranged them and we finished them and sent them to the contractor to carry out.

Q. And in your plans for the alterations for the department—A. There was nothing about elevators.

Q. There was nothing about elevators?—A. Nothing whatever.

Q. I want the particulars of these partitions and so on under each lease in the Canadian building and the Woods building to be inserted in the lease.

Mr. CARVELL.—You had better change that \$6,000 cost of elevator in Woods building to \$8,000. I am satisfied that it should be \$8,000.

Mr. SHARPE.—I have made a note of that.

Mr. CARVELL.—Because if you do not it will not give you the right total



## APPENDIX No. 2

*By Mr. Sharpe:*

Q. What is a Terrazzo floor?—A. It is cement and broken marble and is polished on the top.

Q. It is very expensive material is it?—A. Well, it depends a little, it runs about 60 cents a foot as a general rule.

Q. Would the alterations as contemplated by that order in council include the putting in of a Terrazzo floor?—A. Well—

Q. Would there not be a floor already there?—A. Well, the Terrazzo floor—where was that put, in the corridor?

Q. I don't know where it was put. The building when completed, must have been floors in it.—A. The building could be completed and you might have just ordinary rough cement floors. To complete it properly a Terrazzo floor would be required.

Q. And that would not be part of the alterations the department should pay for. Mr. Woods should complete his building, should he not?—A. That all depends upon what agreement was made.

Q. If they paid \$4,680.80 for a Terrazzo floor they were pretty lenient with Mr. Woods under the terms of this lease, were they not?—A. Well—

Q. There is nothing in the lease with regard to a Terrazzo floor. Let us take the first lease and we will just see what it says. That is lease No. 6082. This is what it says. (Reads):

And the said lessor doth hereby covenant with the said lessee to divide the hereby demised premises in accordance with the plan to be submitted to and approved by the Department of Public Works by properly constructed terra cotta, expanded metal or other fireproof partitions, having surface finished in plaster, to place a wash basin with water service and drainage in each and every room; to fit up a sufficient number of water closets, sinks, lavatories with water service and drainage, the whole to the satisfaction of the said lessee; also to erect and install a passenger elevator; all the plumbing, piping, fittings and materials throughout to be of the most modern and sanitary character; also that the said leased premises shall be supplied with heating apparatus that shall be able to furnish a temperature of seventy degrees Fahrenheit at all times with ordinary firing, the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control—provided always, and it is expressly understood and agreed, that the cost of the several works enumerated and described in the foregoing clause and any other alterations and additions that may be required by the lessee shall be borne by the said lessor and lessee, each for one-half of the same, as ascertained to the satisfaction of the said lessee.

Now, there is nothing in that lease about Terrazzo floors. Why did the department pay one-half of the cost of that Terrazzo floors?—A. I cannot say.

Q. You cannot answer that?—A. No.

Q. Electric wiring of the Canadian building, \$3,864; we paid for that under the first lease; brick and concrete work, \$16,001?—A. That is the partitions.

Q. That would be the partitions?—A. Yes.

Q. Carpentering work \$11,975?—A. That would be doors and trimmings, all that class of work.

Q. Now, where are the vouchers, where are the vouchers for these?—A. Well, you saw some of them.

Q. I know that, but I want to get them on record. Let me see the one you were showing me; I want to get that on record?—A. That is the one with \$10,000 as the first item?

Q. I think so?—A. I haven't got that one here, you took it away. There is one. (Document produced.)

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Q. Yes, now this is a bill, 'The Department of Public Works in account with James W. Woods,' dated July 31, 1906, and made up as follows:—

Holbrook & Sutherland, brick and concrete. . . . .	\$16,001 00
J. & C. Low, carpenter work. . . . .	11,975 00
Jos. McLaughlin, plastering. . . . .	3,193 17
W. J. Carson, painting. . . . .	3,424 00
Otis-Fensom Co., elevator. . . . .	8,000 00
Marchand & Co., electric wiring. . . . .	3,864 00
J. & J. Taylor, vault doors. . . . .	230 00
Goldie & McCullough, vault doors. . . . .	131 50
Thompson & Livock, plumbing. . . . .	5,508 46

The total amount is \$52,327.13, and half the amount is charged against the government, \$26,163.56. Is that the only account and voucher you got when you paid Mr. Woods?—A. Yes.

Q. Did you accept his word for those payments?—A. No, these are all certified to by the different officers.

Q. Certified to as a correct statement, James Mather, architect in charge?—A. That is Mr. Woods' architect, but our superintendent's certificate is there, Mr. Shearer's.

Q. 'Certified materials delivered, work performed and prices fair and just as per vouchers attached, J. Shearer, jr.'?—A. Yes, he is the superintendent, he is the man that examines all that.

Q. If you paid the half of this where are the various items, you are entitled to those vouchers if the department paid one-half?—A. Well, we will have to get them.

Q. I mean are they in the possession of the department or has Mr. Woods taken them away?—A. I could not tell you, I got those from the accountant; I asked for the vouchers, and that is what I got.

Q. Is that the account or statement rendered in all of them, without the original vouchers?—A. No, here is another statement here.

Q. That is from the contractors themselves?—A. That is a matter I could not exactly tell; that is for the second lease of the Woods building, that one there; these were agreed to before the work was started.

Q. The 3rd of March, 1908, the items of this account amount to \$16,926.48 as our share?—A. Yes.

Q. Do you mean to say that these amounts were agreed upon?—A. Before the work was started.

Q. Yes, so that irrespective of the actual cost of the work we paid one-half that amount?—A. Well, yes.

Q. And if Mr. Woods succeeded in having this work done at a good deal less than that, it did not affect our rates at all, we had to pay that?—A. No, but it was considered that was the better way, as there was such trouble in settling up the previous one.

Q. You had a great deal of trouble with him, did you?—A. Yes.

Q. You had a great deal of dispute with him over these various amounts?—A. Well, yes—this was settled before we started on the second work at all.

Q. Under the second and third leases in regard to the Woods building, and in regard to the two leases of the Canadian building, did Mr. Woods do all the repairs himself or did the department have to go in there and do any?—A. Mr. Woods did the whole thing.

Q. In both buildings?—A. In both buildings.

Q. Why did not the department do it?—A. I don't know.

Q. You usually do that kind of work?—A. Not in a case of that kind; that is a very unusual case; we do not do work of that kind.

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Q. Could you not have submitted your plans and let it by tender to outside people, to contractors?—A. Then we would be doing work for another man in his building.

Q. That is the extraordinary part of it, we are paying for capital expenditure in another man's building and improving his real estate.

Mr. CARVELL.—Paying for the necessary changes to be made.

*By Mr. Sharpe:*

Q. Now, under the first lease there were \$57,473.43 expended by us—that is, expended in the improving of the Canadian building?—A. Yes.

Q. Half of which we paid, \$28,736.71. Now, under the second lease, No. 6689, what we had to do, and what we did, was:

To divide the hereby leased premises in accordance with plans to be submitted to and approved by the Department of Public Works, by properly constructed terra cotta, expanded metal or other fireproof partitions, having surface finished in plaster; to place a wash basin with water service and drainage where required in accordance with agreement; to fit up a sufficient number of water closets, sinks, lavatories with water service and drainage, the whole to the satisfaction of the said lessee; also to erect and install a passenger elevator, equipped and ready for use by the lessee.

That all the plumbing, piping, fittings and materials throughout to be of the most modern and sanitary character; also that the said leased premises shall be supplied with heating apparatus that shall be able to furnish a temperature of 70 degrees Fahrenheit at all times with ordinary firing, the said apparatus to work noiselessly and be so arranged as to place the regulation of the temperature under instant and complete control; provided always, and it is expressly understood and agreed, that the cost of the several works enumerated and described in the foregoing clause shall be borne by the said lessors and lessee in equal proportions, as ascertained to the satisfaction of the said lessee.

Now, under that we paid for an elevator \$8,000, and we paid for storm sashes. Do you think storm sashes would properly come under the terms of that lease?—A. Well, that I would think not.

Q. No, I would think not, but they charge \$625.75 for storm sashes and for marble base and base blocks \$233.35, and in another item Terrazzo floor, \$449.60, and there are various other items there amounting to \$34,507.95. Who put in that Terrazzo floor?—A. I do not know if it was put in by Mills, or it might be done by Holbrook and Sutherland; there are several parties who might do it.

Mr. SHARPE.—I will put in this statement which has been furnished by the department. (See Appendix.)

Witness retired.

The committee adjourned.





APPENDIX.

WOODS BUILDINGS.

Lease.	Dated.	Term.	Expires.	1st Payment.*
4,766.....	October 17, 1903..	10 years....	November 1, 1913...	February, 12, 1904.
5,694.....	August 30, 1905..	5 " ....	October 1, 1910...	August 15, 1906.
5,695.....	" 30, 1905..	8 " ....	November 1, 1913...	" 15, 1906.
6,082.....	September 13, 1906..	5 " ....	January 1, 1911...	" 17, 1906
6,689.....	April 16, 1908..	6 " ....	" 1, 1913...	April 24, 1908.

\* All payable quarterly after date of signing lease.

I find on looking up the vouchers that the amounts given should be:

Militia building.. . . . .	\$15,675 74
Canadian building—	
1st lease.. . . . .	28,736 71
2nd lease.. . . . .	17,253 98
	<hr/>
	\$45,990 69

I inclose details.

Half cost of heating Militia building:

6 floors—east half—	
1903-4.. . . . .	\$1,537 24
1904-5.. . . . .	1,353 34

Lighting Militia building:

1906-7.. . . . .	\$1,792 48
1907-8.. . . . .	2,133 56
1908-9.. . . . .	2,629 05

WOODS OR MILITIA BUILDING.

Cost of partitions, &c.

D. Cuthbertson. Carpenter work.. . . . .	\$ 5,240 00
Holbrook & Sutherland. Brick and concrete.. . . . .	5,166 00
Jos. McLaughlin. Plastering.. . . . .	1,321 42
Thompson & Livock. Plumbing and heating.. . . . .	5,162 00
Marchand & Co. Electric wiring.. . . . .	576 00
Otis Fensom Co. Elevator.. . . . .	8,180 00
W. J. Carson. Painting and glazing.. . . . .	2,104 00
John McLaughlin. Oak screens, &c.. . . . .	432 05
Trudel & McAdam. Iron stairs, &c.. . . . .	770 00
Vault fittings, partitions and grills.. . . . .	2,400 00
	<hr/>
	\$31,351 47
Half paid by government.. . . . .	\$15,675 74

WOODS BUILDING.

Lease 4,766.—First lease entered into October 17, 1903, for basement, ground floor, first, second, third and fourth floors of east side of Woods building (Militia), for a term of ten years at an annual rent of \$11,040. The government to pay taxes, water rates, street sprinkling, snow cleaning, &c.

The proprietor to make all necessary alterations, build partitions, &c. Each party to pay for half the heating, about \$1,400 a year paid by this department; (afterwards, three years) the cost of heating was changed to four-tenth cents a cubic foot.

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Lease 5,695.—Entered into August 30, 1905, for eight years for fifth floor of same building at an annual rent of \$3,695.20. The government to pay taxes, water rates, &c. Each party to pay half the cost of building partitions, water closets, elevator, &c.

Lease 5,694.—Entered into August 30, 1905, for west side, comprising basement, ground floor, first, second, third and fourth floors for a period of five years from October 1, at an annual rent of \$11,040.

The government to pay all taxes, &c.

The proprietor to divide the premises by constructing partitions, elevator, &c., each party to pay one-half the cost.

Department's share on both above buildings was \$16,849.59.

## CANADIAN BUILDING.

First lease for ten years. Cost of partitions, &c. W.  $\frac{1}{2}$  and 2nd top floor of E $\frac{1}{2}$ .—Lease 6,082.

Holbrook & Sutherland. Brick and concrete.. . . .	\$16,001 00
J. & C. Low. Carpenter work.. . . .	11,975 00
Jos. McLaughlin. Plastering.. . . .	3,193 17
W. J. Carson. Painting.. . . .	3,424 00
Otis Fensom Co. Elevator.. . . .	8,000 00
Marchand & Co. Electric wiring.. . . .	3,864 00
J. & J. Taylor. Vault doors.. . . .	230 00
Goldie & McCullough. Vault doors.. . . .	131 50
Thompson & Livock. Plumbing.. . . .	5,508 46
Mantels.. . . .	466 00
Terrazzo floor.. . . .	4,680 30

\$57,473 43

Half paid by government.. . . .

\$28,736 71

Second lease for balance of building. Cost of partitions, &c. (Remainder of E $\frac{1}{2}$ .—Lease 6689.

Terra-cotta partitions complete.. . . .	\$10,160 00
Elevator.. . . .	8,000 00
Partitions F. floor front oak.. . . .	4,495 83
Partitions F. floor rear oak.. . . .	545 83
Closet partitions, doors, locks, &c.. . . .	425 60
Ash doors, frames, furnitures, &c.. . . .	1,830 00
Sashes below beams.. . . .	1,391 00
Fanlights.. . . .	258 00
Cut openings through walls and repair.. . . .	150 00
Storm sashes.. . . .	625 75
Ash panelling \$144, and base \$160.80.. . . .	304 80
Base, burlap and chair rail.. . . .	553 20
Counters, \$567; mantels, \$150; picture moulding, \$112.50.. . . .	830 00
Fire doors in partitions (metal).. . . .	270 00
Plumbing.. . . .	2,940 00
Tinting and painting.. . . .	1,045 00
Marble base and base blocks.. . . .	233 35
Terrazzo floor. (Where was this put down, and why?).. . . .	449 60

\$34,507 95

Half cost paid by the government.. . . .

\$17,253 98

## CANADIAN BUILDING.

Lease, 6,082.—Entered into on September 13, 1906, for basement, ground floor, first, second, third, fourth, fifth and sixth floors of west half and the two upper floors of the east half of the Canadian building.

Term of lease, five years from January 1, 1906, at an annual rent of \$27,330.06.

The government to pay taxes, &c.

Each party to pay half of the cost of partitions, elevator, heating apparatus, &c.

Cost to department was \$28,736.71.

Lease 6,689.—Entered into on April 16, 1908, for basement, ground floor, first, second, third and fourth floors of east half of Canadian building from December 1, 1907, for a period of five years and one month at an annual rent of \$15,206.90.



## APPENDIX No. 2

The government to pay taxes, &c.

Each party to pay half the cost of constructing partitions, elevator, heating apparatus, &c.

Cost to department for alterations, \$19,244.73.

Present heating costs four-tenth cents a cubic foot; lighting is paid for at meter rates. (See tables).

MEMO. *RE* BUILDINGS RENTED FROM IMPERIAL REALTY COMPANY.

Lease.	Description.	Rental.	Half cost of partitions, &c.
		\$ cts.	
4766.....	Woods or 'Militia'—		
	East half, except top floor; 10 years....	11,040 00	None; borne by proprietor. } Cost to Department, \$14,593.00.
5694.....	West half, except top floor; 5 years....	11,040 00	
5695.....	Top floor, east and west half; 8 years...	3,697 20	
		25,777 20	
	Canadian Building—		
6082.....	West half and 2 top floors east half....	27,330 00	Cost to Department, \$26,163.00. " " 19,281.73.
6689.....	Remainder of east half.....	15,206 90	
		42,536 90	
	Railway Commission, Queen St.—		
	Whole Building.....	5,300 00	

The alteration for which the department paid half cost consisted of terra cotta partitions, glass screens, plastering, painting, electric wiring, vault doors, plumbing, elevator, &c.

The heating of the Militia building was at first paid by government and Mr. Woods, each paying half total cost. It was changed to the present arrangement, the government paying four-tenths cents per cubic foot per annum.

1,298,993 cubic feet at  $\frac{4}{10}$  cents, \$5,196—Canadian building.

914,760 cubic feet at  $\frac{4}{10}$  cents, \$3,659—Militia building.

The Railway Commission building, Queen street, is heated by the government.

The electric lighting of the buildings is paid by meter rate, the Imperial Realty Company paying the accounts and remitting them to the department for reimbursement.

No. 4766. Date, October 17, 1903. Lease, Jas. W. Woods to His Majesty.

This indenture made in duplicate this 17th day of October, in the year of our Lord one thousand nine hundred and three, in pursuance of the Act respecting short forms of leases.

Between James W. Woods, of the city of Ottawa, in the county of Carleton, in the province of Ontario, manufacturer,

of the first part;

And His Majesty King Edward the Seventh, represented by the Honourable James Sutherland, His Majesty's Minister of Public Works of the Dominion of Canada,

of the second part.

Witnesseth that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the said parties to be paid, observed and performed, the said party of the first part hath demised and leased and by these presents doth demise and lease unto the said party of the second part, his successors and assigns, all that message or tenement situate lying and being on the south side of Slater street, in the city of Ottawa, aforesaid, comprising a basement, a ground floor, and a first, second, third and fourth stories, of a stone and brick building now being erected by the said party of the first part, and measuring 31 feet 1 inch frontage by 151 feet 10 inches in depth.

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To have and to hold the said demised premises for and during the term of ten years to be computed from the first day of November, one thousand nine hundred and three and from thenceforth next ensuing and fully to be completed and ended.

Yielding and paying therefore yearly and every year during the said term hereby granted unto the said party of the first part his heirs, executors, administrators or assigns, the sum of eleven thousand and forty dollars (\$11,040) to be payable quarterly on the following days and times that is to say, on the first days of February, May, August and November of each year during the said term, the first of such payments to become due and to be paid on the first day of February next.

The said party of the second part covenants with the said party of the first part to pay rent and to pay taxes, water rates, street sprinkling and snow cleaning (if any) except local improvements; and to do the ordinary repairs, reasonable wear and tear and damage by fire, lightning and tempest only excepted, and that he will leave the premises in good repair, reasonable wear and tear and damage by fire, lightning and tempest only excepted.

Provided that the said party of the second part may remove his fixtures.

Provided that in the event of fire, lightning or tempest, rent shall cease until the premises are rebuilt and fit for occupation.

The said party of the first part covenants with the said party of the second part for quiet enjoyment.

And the said party of the first part doth hereby for himself, his heirs, executors, administrators and assigns covenant with the said party of the second part to divide the premises hereby demised in accordance with the plan hereto attached and which forms part hereof, by properly constructed terra cotta expanded metal or other fire-proof partitions having surfaces finished in plaster; to place a wash basin with water service and drainage in each and every room; to fit up a sufficient number of water closets, sinks and lavatories with water service and drainage, and to the satisfaction of the party of the second part, all the plumbing, piping, fittings and material throughout to be the most modern and sanitary character; and also that the said premises shall be supplied with heating apparatus that shall be able to furnish a temperature of 75° Fahrenheit at all times with ordinary firing; the apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control; it being expressly understood and agreed that the said heating apparatus shall be built in and constructed by and at the cost of the said party of the first part, and shall include all necessary piping and connections, valves and other requisites, the whole to the satisfaction of the said party of the second part; and also that the party of the first part shall wire the building for a number of electric outlets sufficient for all lighting and in accordance with the said plan of divisions hereto annexed; and shall also install and erect a modern electric passenger elevator.

And the said party of the first part doth hereby for himself, his heirs, executors, administrators and assigns covenant with the said party of the second part that the said premises shall be completed and ready for occupation on the first day of November next, the whole to the satisfaction of the said party of the second part.

In testimony whereof the parties hereto have hereunto set their respective hands and seals the day, month and year first above written.

Signed, sealed and delivered in the presence of:

(Signed) JAMES WOODS.

(Signed) J. A. CHASSÉ.

[SEAL.]

Signed, sealed and delivered by the Deputy Minister and countersigned by the Secretary of the Department of Public Works in the presence of:

(Signed) J. A. CHASSÉ.

(Signed) A. GOBEIL,  
Deputy Minister of Public Works.  
(Signed) FRED GELINAS.

[SEAL.]

## APPENDIX No. 2

P. W. No. 5694. Date, 30th August, 1905. James W. Woods to His Majesty, lease.

This indenture made in duplicate this thirtieth day of the month of August, in the year of our Lord, one thousand nine hundred and five.

Between James W. Woods, of the city of Ottawa, in the county of Carleton, in the province of Ontario, manufacturer, of the first part:

And His Majesty King Edward the Seventh, represented herein by the Honourable the Minister of Public Works of Canada, of the second part.

Witnesseth that in consideration of the rents, covenants and agreements herein-after reserved and contained on the part of the said parties to be paid, observed and performed, the said party of the first part hath demised and leased and by these presents doth demise and lease unto the said party of the second part, his successors and assigns, all the messuage or tenement, lying and being on the south side of Slater street, in the city of Ottawa aforesaid, comprising a basement, a ground floor and a first, second, third and fourth stories of a stone and brick building erected and owned by the said party of the first part, and measuring 31 feet 1 inch frontage by 151 feet 100 inches in depth, the said premises hereby rented being contiguous to and in the west side of the premises previously rented under the lease entered into on the seventeenth day of October, A.D., 1903, and being No. 4766 of the law records of the Department of Public Works of Canada.

To have and to hold the said demised premises for and during the term of five years to be computed from the first day of October next, A.D., 1905, and to be fully completed and ended.

And it is understood and agreed that at the expiration of the term hereby created, the said lease may be renewed for a further period of five years under the same terms and conditions as those herein stipulated. Yielding and paying therefor, yearly and every year during the said term hereby created unto the said party of the first part, his heirs, executors, administrators and assigns the sum of eleven thousand and forty dollars (\$11,040) to be payable quarterly as follows:—That is to say, at the end of the first three months of occupancy by the Crown, the first payment to be made and thenceforth at the end of every succeeding quarter.

The said party of the second part covenants with the said party of the first part to pay rent, and to pay taxes, water rates, street sprinkling and snow cleaning (if any) except local improvements; and to do the ordinary repairs, reasonable wear and tear and damage by fire, lightning and tempest only excepted, and that he will leave the premises in good repair, reasonable wear and tear and damage by fire, lightning and tempest only excepted. Provided that the said party of the second part may remove his fixtures; provided that in the event of fire, lightning or tempest, rent shall cease until the premises are rebuilt and fit for occupation.

The said party of the first part covenants with the said party of the second part for quiet enjoyment.

And the said party of the first part doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said party of the second part to divide the premises hereby demised in accordance with a plan to be submitted to and approved by the Department of Public Works aforesaid, by properly constructed terra cotta, expanded metal or other fire-proof partitions having surface finished in plaster; to place a washbasin with water service and drainage in each and every room; to fit up a sufficient number of water-closets, sinks, lavatories with water service and drainage, to the satisfaction of the party of the second part; also to construct a passenger elevator; all the plumbing, piping, fittings and material throughout to be of the most modern and sanitary character; and also that the said premises shall be supplied with heating apparatus that shall be able to furnish a temperature of 75° Fahrenheit at all times with ordinary firing; the said apparatus to work noiselessly



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and to be so arranged as to place the regulation of the temperature under complete and instant control.

Provided always, and it is hereby understood, that the cost of the several works enumerated and described in the foregoing clause and any other alterations and additions that may be required by the party of the second part shall be borne by the parties hereto of the first and second parts each for one half of the same, as ascertained to the satisfaction of the party hereto of the second part.

In testimony whereof the said parties hereto of the first and second parts have hereunto set their respective hands and seals the day, month and year first above written.

Signed, sealed and delivered by the party  
of the first part in the presence of  
J. A. CHASSÉ.

JAMES W. WOODS.

Signed, sealed and delivered by the Deputy  
Minister and countersigned by the Secretary of the Department of Public Works in  
the presence of  
J. A. CHASSÉ.

A. GOBEL,  
*Deputy Minister of Public Works.*

FRED. GELINAS,  
*Secretary.*

P.W. No. 5695. Date, 30th August, 1905. Jas. W. Woods to The Crown. Lease.

This indenture made in duplicate this thirtieth day of the month of August in the year of Our Lord one thousand nine hundred and five.

Between James W. Woods, of the city of Ottawa, county of Carleton, province of Ontario, manufacturer, hereinafter called 'the lessor.'

of the one part

And His Majesty King Edward the Seventh, represented herein by the Honourable Charles Smith Hyman, Minister of Public Works of Canada, hereinafter called 'the lessor.'

of the other part.

Witnesseth that in consideration of the rents, covenants, conditions and agreements hereinafter reserved and contained on the part of the parties to be paid, observed and performed, the said lessor hath demised and leased and by these presents doth devise and lease unto the said lease, his successors and assigns, all that messuage or tenement, lying and being on the south side of Slater street, in the city of Ottawa, aforesaid, consisting of the fifth story of a stone and brick building erected and owned by the said lessor and measuring the said story sixty-five feet frontage by one hundred and fifty-eight feet in depth, more or less.

To have and to hold the said demised premises for and during the term of eight years to be computed from the first day of November now next A.D. 1905, and from thenceforth next ensuing and fully to be completed and ended.

Yielding and paying therefor yearly and every year during the said term hereby granted unto the said lessor, his heirs, executors, administrators or assigns, the sum of three thousand, six hundred and ninety-seven dollars and twenty cents (\$3,697.20) of lawful money of Canada to be payable quarterly at the end of each quarter.

The said lessee covenants with the said lessor to pay rent, and to pay taxes, water rates, street sprinkling and snow cleaning (if any), except local improvements; and to do the ordinary repairs, reasonable wear and tear and damage by fire, lightning and tempests only excepted.

Provided that the said lessee may remove his fixtures.

Provided that in the event of fire, lightning or tempest, rent shall cease until the premises are rebuilt and fit for occupation.

The said lessor covenants with the said lessee for quiet enjoyment.

## APPENDIX No. 2

And the said lessor doth hereby covenant with the said lessee to divide the hereby leased premises in accordance with a plan prepared by the Department of Public Works,—by properly constructed terra cotta, expanded metal or other fireproof partitions, having surfaces finished in plaster, to place in wash basin with water service and drainage in each and every room; to fit up a sufficient number of water closets, sinks and lavatories, with water service and drainage, and to the satisfaction of the said lessee, all the plumbing, piping, fittings and material throughout to be of the most modern and sanitary character; also to supply the said premises with heating apparatus that shall be able to furnish a temperature of seventy-five degrees Fahrenheit, at all times with ordinary firing; the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control;—it being expressly understood and agreed that the said heating apparatus shall be built in and constructed by and at the cost of the said lessor and shall also include all necessary piping and connections, valves and other requisites, the whole to the satisfaction of the lessee; that the said lessor shall wire the said premises for a number of electric outlets sufficient for all lighting,—and shall install and erect a modern electric passenger elevator.

Provided always and it is expressly understood and agreed that the cost of the several works enumerated and described in the foregoing clause and any other alterations and additions that may be required by the said lessee (His Majesty) shall be borne by the lessor and lessee, each for one half of the same, as ascertained to the satisfaction of the said lessee.

In this agreement whenever the lessor is referred to such reference shall include his heirs, executors, administrators and assigns, and whenever the lessee is referred to, such reference shall include his successors and assigns.

In witness whereof, the said lessor and lessee have hereunto set their respective hands and seals, the day, month and year first above written.

Signed, sealed and delivered in the  
presence of

(Sgd.) J. A. CHASSÉ.

(Sgd.) JAMES W. WOODS.

Signed, sealed and delivered by the Deputy  
Minister and countersigned by the Secret-  
ary of the Department of Public Works in  
the presence of

(Sgd.) J. A. CHASSÉ.

(Sgd.) A. GOBEIL,  
*Dep. Minister of Public Works.*

(Sgd.) FRED. GELINAS,  
*Secretary.*

No. 6082. Date, 13th September, 1906. James W. Woods to His Majesty. Lease.

## CANADIAN BUILDING.

This indenture of lease made in duplicate this thirteenth day of the month of September, in the year of Our Lord one thousand nine hundred and six.

Between James W. Woods, of the city of Ottawa, in the county of Carleton, in the province of Ontario, manufacturer, hereinafter called 'the lessor.'

of the one part;

And His Majesty King Edward the Seventh, represented herein by the Honourable Charles Smith Hyman, His Majesty's Minister of Public Works of Canada, hereinafter called 'the lessee,'

of the other part.

Witnesseth that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the said lessee to be paid, observed and performed, the said lessor hath demised and leased and by these presents doth demise and lease unto the said lessee, all that messuage or tenement, situate, lying and being on the south side of Slater street, in the city of Ottawa, county of Carleton, and province of Ontario, comprising a basement, a ground floor, and a first, second, third,

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fourth, fifth and sixth stories of the western half of the building erected and owned by the said lessor and known as the 'Canadian building' together with the two upper flats of the eastern half of said building.

To have and to hold the said demised premises for and during the term of five years to be computed from the first day of January, A.D., 1906, and to be fully completed and ended.

And it is understood and agreed that at the expiration of the term hereby created, the said lease may be renewed for a further term of five years under the same terms and conditions as those herein stipulated.

Yielding and paying therefor, yearly and every year during the said term hereby created unto the said lessor the sum of twenty-seven thousand three hundred and thirty dollars and six cents, (\$27,330.06) of lawful money of Canada, to be payable quarterly on the following days and times, that is to say: on the first legal days of the months of April, July, October and February of each year during the said term, the first of such payments to become due and to be made on the first day of April next, A.D., 1906.

The said lessee covenants with the said lessor to pay rent, taxes, water rates, street sprinkling; and also to do the ordinary repairs, reasonable wear and tear and damage by fire, lightning and tempest only excepted; provided that the said lessee may remove his fixtures; provided that in the event of fire, lightning or tempest rent shall cease until the said premises are rebuilt and fit for occupation.

The said lessor covenants with the said lessee for quiet enjoyment.

And the said lessor doth hereby covenant with the said lessee to divide the hereby demised premises in accordance with a plan to be submitted to and approved by the Department of Public Works by properly constructed terra cotta, expanded metal or other fireproof partitions having surface finished in plaster, to place wash basin with water service and drainage in each and every room; to fit up a sufficient number of water closets, sinks, lavatories with water service and drainage, the whole to the satisfaction of the said lessee; also to erect and install a passenger elevator; all the plumbing, piping, fittings and materials throughout to be of the most modern and sanitary character; also that the said leased premises shall be supplied with heating apparatus that shall be able to furnish a temperature of seventy degrees of Fahrenheit at all times with ordinary firing, the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control; provided always and it is expressly understood and agreed that the cost of the several works enumerated and described in the foregoing clause and any other alterations and additions that may be required by the said lessee, shall be borne by the said lessor and lessee each for one half of the same, as ascertained to the satisfaction of the said lessee.

In this Indenture of lease, whenever occurs the word 'lessor' it must be construed and taken as including the heirs, executors, administrators and assigns of the said lessor, and whenever occurs the word 'lessee' it must be construed and taken as meaning the heirs and successors of His Majesty.

In Witness whereof, the parties hereto have hereunto set their respective hands and seals the day, month and year first above written.

Signed, sealed and delivered }  
by the Lessor in the } (Sgd.) JAMES W. WOODS. [SEAL.]  
presence of }  
(Sgd.) J. A. CHASSÉ.

Signed, sealed and delivered by the }  
Deputy Minister and countersigned } (Sgd.) A. GOBEIL,  
by the Secretary of the Department } *Deputy Minister of Public Works.*  
of Public Works in the presence of }

(Sgd.) J. A. CHASSÉ.  
(Seal.)

(Sgd.) R. C. DESROCHERS,  
*Asst. Secretary.*



## APPENDIX No. 2

P. W. No. 6689. Date, 16th April, 1908. Imperial Realty Company, Limited, to His Majesty, Lease.

This Indenture made in duplicate this sixteenth day of the month of April in the year of Our Lord One thousand nine hundred and eight, in pursuance of the Act respecting short forms of leases,

Between the Imperial Realty Company, Limited, having a place of business at the city of Ottawa, in the county of Carleton and province of Ontario, represented herein by James W. Woods, president of the said company hereinafter called 'the lessors.'

of the first part:

And His Majesty King Edward the Seventh, represented herein by the Honourable William Pugsley, Minister of Public Works of Canada, hereinafter called 'the lessee'

of the second part.

Witnesseth, that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the lessee to be paid, observed and performed, the lessors have demised and leased and by these presents do demise and lease unto the said lessee for use and occupation as offices for a portion of the staffs of the Auditor General of Canada, and the Interior Department, all that messuage or tenement situate, lying and being on the south side of Slater street in the city of Ottawa, county and province aforesaid (known as 'Canadian building' and comprising a basement, a ground or first floor, second, third, fourth and fifth stories of the eastern half of the said 'Canadian building.')

To have and to hold the said demised premises from the first day of the month of December A.D., 1907, to the first day of the month of January, A.D., 1913, and to be fully completed and ended.

Yielding and paying therefor, yearly and every year during the said term hereby created unto the said lessors the sum of fifteen thousand two hundred and six dollars and ninety cents (\$15,206.90) of lawful money of Canada, to be payable quarterly at the end of each quarter.

The said lessee covenants with the said lessor to pay rent, taxes, water rates, street sprinkling and snow cleaning, except local improvements; and also to do the ordinary repairs reasonable wear and tear and damage by fire, lightning and tempest only excepted; and that the lessors may enter and view state of repairs and that the lessee will repair according to notice in writing reasonable wear and tear and damage by fire, lightning and tempest only excepted—and will not assign or sublet without leave and that he will leave the hereby leased premises in good repair, reasonable wear and tear and damage by fire, lightning and tempest only excepted; provided that the said lessee may remove his fixtures; provided that in the event of fire, lightning or tempest, rent shall cease until the said premises are rebuilt and fit for occupation.

And it is especially covenanted and agreed that in case of partial or total destruction by fire or other casualty of the hereby leased premises, as shall render them untenable the lessee or the lessors may within one month after such destruction, on giving notice thereof in writing to the other of them, terminate this lease.

Proviso for re-entry by the lessors on non-payment of rent or non-performance of covenants.

The said lessors covenant with the said lessee for quiet enjoyment.

And the said lessors do hereby covenant with the said lessee the hereby premises in accordance with plans to be submitted to and approved by the Department of Public Works by properly constructed terra cotta expanded matter or other fireproof partitions having surplus finish in plaster: to place a wash basin with water service and drainage where required in accordance with agreement; to fit up a sufficient number of water closets, sinks, lavatories with water service and drainage, the whole

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to the satisfaction of the said lessee; also to erect and install a passenged elevator equipped and ready for use by the lessee.

That all the plumbing, piping, fittings and materials, throughout to be of the most modern and sanitary character; also that the said leased premises shall be supplied with heating apparatus that shall be able to furnish a temperature of seventy degrees Fahrenheit at all times with ordinary firing, the said apparatus to work noiselessly and to be so arranged as to place the regulation of the temperature under complete and instant control, provided always and it is expressly understood and agreed that the costs of the several works enumerated and described in the foregoing clause shall be borne by the said lessors and lessee in equal proportions, as ascertained to the satisfaction of the 'said lessee.'

And it is further covenanted and agreed that at the expiration of the term hereby created, it shall be lawful for His Majesty, represented as aforesaid, to renew these presents up to a period of five years, under the same terms, rental and conditions as those herein stipulated.

And it is hereby declared and agreed that these presents and everything herein contained shall respectively inure to the benefit of and be binding upon the lessors and lessee parties hereto of the first and second parts, their heirs, executors, administrators and assigns respectively.

In witness whereof the said parties have hereunto set their hands and seals the day, month and year first above written.

Signed, sealed and delivered by the	}	(Sgd.) IMPERIAL REALTY CO., LTD.
Lessors in the presence of		Per JAS. W. WOODS,
(Sgd.) J. A. CHASSÉ.		President.

Signed, sealed and delivered by the	} Acting	J. B. HUNTER,
Deputy Minister and countersigned by the		Actg. Dep. Minister of Pub. Works.
Secretary of the Department of Public		
Works, in the presence of	}	(Sgd.) FRED. GELINAS,
(Sgd.) J. A. CHASSÉ.		Secretary.

HOUSE OF COMMONS,

COMMITTEE ROOM 32,

FRIDAY, March 18, 1907.

The Public Accounts Committee met at eleven o'clock, Mr. Warburton, chairman, presiding and resumed consideration of payments for rent and taxes in connection with the Woods properties, Slater and Queen streets, Ottawa.

Mr. SHARPE.—Mr. Fenson and Mr. Berry are here and as they are anxious to get away I will go on with them if you will allow me.

W. A. FENSON, called, sworn and examined:

*By Mr. Sharpe:*

Q. Your name is?—A. Walter Fenson.

Q. Are you manager of the Otis Fenson Elevator Co.?—A. I am the sales manager.

Q. Have you been salesman for a number of years in Ottawa?—A. Yes.

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Q. Did you furnish the elevators in the Canadian as well as in Mr. Woods' building?—A. We did.

Q. You had personal interviews with him?—A. Personal interviews.

Q. Were there any differences between the sets of elevators in the Woods building and the Canadian building?—A. Nothing to signify.

Q. If you had to change the elevator the matter of a story or two would not that make additional expense?—A. Not at the time it was going on. If it had to be changed afterwards it would be very material expense.

Q. But at the original construction?—A. It would not be as great a matter.

Q. What is the size of the elevator in the Woods building?—A. Well, it is a standard machine for one ton.

Q. And what is it in the Canadian building?—A. They are all alike.

Q. Is there anything peculiar about this elevator or about those elevators to make them more expensive than similar elevators in other buildings?—A. Finish and style.

Q. What is the difference particularly in those that would make it more expensive than other elevators in similar buildings in Ottawa?—A. For style and finish you could run up to several thousand dollars difference.

Q. For instance, in the new Carling building, where Murphy & Gamble are going to be, how does that compare. Is that a standard elevator?—A. Yes.

Q. Now, I understand the Carling elevator cost how much?—A. There are two there. I do not recollect what that contract was.

Q. Now, that is only a recent transaction. Cannot you recollect that?—A. No, sir.

Q. About \$4,000?—A. No, there were two.

Q. \$2,000 a piece?—A. Probably round in that neighbourhood.

Q. As a matter of recollection you cannot tell us what the original cost was?—A. Not positively.

Q. Are there two elevators in each part of the Woods building or just one?—A. There is one passenger elevator in each section of the Woods building.

Q. Just one elevator in the east part?—A. And one in the west part, the building being divided by a partition.

Q. And the same in the Canadian building?—A. The same in the Canadian building.

Q. Does the elevator in the east part of the Woods building correspond with the elevator in the Carling building?—A. The elevator in the east part of the Woods building?

Q. Yes, does it correspond with the elevator in the Carling building?—A. Let us see.

Q. That is either the east or the west?—A. Of the Woods building?

Q. Yes.—A. Well, as far as the machine goes they would be fairly on the same principle.

Q. And about the same price?—A. Well, you see there is a big difference. There are steel enclosures and steel supports to take into consideration with the Woods building that were not included with the Carling building.

*By Mr. Carvell:*

Q. What were the things you took into consideration?—A. Enclosure work and steel structure and supports.

*By Mr. Sharpe:*

Q. Would not that be supplied in the Carling building?—A. They supplied them in a separate contract. The steel work included that work with the Carlings, but we included all that in our contract with Woods.

Q. But your elevators were all put in at the same time as the buildings were constructed?—A. The Canadian building.



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Q. And the Woods building. The elevators were put in while the buildings were being erected?—A. Only one on the west side in which we put a passenger in place of a freight machine.

Q. But you put that in at the time the building was being erected. All these steel supports would be taken into consideration at the time the building was being erected?—A. We put them in.

Q. But you put them in at the time the building was being constructed?—A. When the building was being constructed.

Q. That is something unusual for you in putting in an elevator to put in the steel structures?—A. Not unusual.

Q. Can you tell us any other case where you did that?—A. Certainly. In the government block right here.

Q. Oh, yes, in the government buildings. But I mean in any private building. For instance, in the Carling building, did you do that in that building?—A. No, except to a degree in the Corry building. We did not put it in fully.

Q. What difference in the expense, what additional expense to the elevator was that, putting in the steel structures and so on?—A. It would make a matter of about \$3,000.

Q. And the reason it was left to you was because the government was going to pay half the expense?—A. I did not know anything about that.

Q. Didn't Mr. Woods tell you that?—A. No.

Q. Any conversation with Mr. Woods as to what would be the expense?—A. No conversation with Mr. Woods in the matter.

Q. If you put that in, it is unusual for the contractors to do that?—A. By no manner of means. I say in the Corry building I supplied the same thing.

Q. That is rented to the government too?—A. That contract was finished with Corry long before the government entered into it.

Q. Now what was the month and the date that the elevator was put in in the Woods building?—A. That would run back to the year 1904, the early part.

Q. Is that the first one or the second one?—A. That would be the first one.

Q. When was the second one put in?—A. If you will permit me I will briefly outline that.

Q. Have you got your books?—A. I have not any books that would cover this matter whatever.

Q. Where is your firm's books?—A. In Toronto.

Q. Would these not show this transaction?—A. Not that transaction.

Q. Why not?—A. Because that was in the old Fenson Company.

Q. Didn't you succeed to the rights of the old company?—A. No records were kept from that date.

Q. You don't mean to say that the books of the company to whose rights you succeeded have been destroyed?—A. All records and plans pertaining to that thing have been destroyed.

Q. Have you no account against Woods showing the cost of that elevator?—A. They might have, but mind you that was not a separate elevator.

Q. What do you mean?—A. I mean that transaction was quite a large transaction with Woods at that time. We had another building on Queen street. We had a freight elevator and altogether it was about \$14,000.

Q. Was that where the Railway Commissioners are on Queen street?—A. Queen street, yes.

Q. And do you mean to say that you have destroyed or the old company have destroyed all the records of this transaction?—A. Oh, yes. That is back four years prior to the amalgamation. We have not been carrying that old stuff along.

Q. You have no ledger account?—A. Not to my knowledge.

Q. Any correspondence?—A. No.

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Q. Would you know if you had. Are you a partner in the company or are you just on salary?—A. I am one of the company.

Q. Where do you keep your books, here or in Toronto?—A. In Toronto.

Q. Who would know concerning the transaction in Toronto?—A. Well if they have any record of course our bookkeeper.

Q. What is his name?—A. Mr. Black, Hector Black.

Q. Hector Black?—A. Yes, my brother George Fenson or Hector Black.

Q. Would they be able to produce any books and show the entries in respect to these elevators?—A. Yes, if there is anything.

Q. When the Woods elevator was put in who paid you the amount of the account?—A. Mr. Woods.

Q. How did he pay you, by cheque or cash?—A. By cheque.

Q. What is the amount he paid you?—A. That I cannot say.

Q. How are we going to find out?—A. Find out from Mr. Woods I presume.

Q. Was there any rebate to Mr. Woods?—A. None whatever.

Mr. CARVELL.—Well now, we are investigating something away back in the accounts of 1908-9. I have not objected to my friend going into the history of this matter but when it comes to a question of the amounts we are travelling far afield.

The CHAIRMAN.—Going back to 1904.

Mr. SHARPE.—The relevancy of that is this. Under the terms of this lease we were to do certain repairs and the amount of these repairs and alterations and capital expenditure would have to do with the reasonableness of the rent. So it is all relevant.

The CHAIRMAN.—Mr. Fenson has answered that he did not as a matter of fact get a rebate.

Mr. SHARPE.—I want to go into that.

Mr. CARVELL.—The trouble is you are going now into a private matter between Mr. Fenson and Mr. Woods.

Mr. SHARPE.—In which the government is interested to the extent of one-half.

Mr. CARVELL.—Oh, no. We have paid Mr. Woods for it. It is a question of whether it was a reasonable claim or not.

Mr. SHARPE.—And whether it was an honest transaction.

Mr. CARVELL.—Is that any reason why Mr. Woods should not charge up the elevators?

Mr. SHARPE.—If we were charged up with an elevator for \$8,000 that only cost \$4,000, we are vitally interested in that amount.

Mr. CARVELL.—Supposing he put an elevator in there for half of what it was worth is not Woods entitled to come back for the half?

Mr. SHARPE.—What I am trying to ascertain is whether we paid for the whole thing instead of just for half of it.

The CHAIRMAN.—However, the witness has answered the question that there was no rebate.

*By Mr. Sharpe:*

Q. The cheque was handed to you personally?—A. Not to me personally.

Q. Who would it be handed to?—A. Mailed I presume, in the ordinary way to the general office.

Q. So you would not know whether there would be a rebate or not?—A. Why not?

Q. Did you have any conversation as to a nominal charge with a reduction in the real charge?—A. No.

Q. I am speaking of the elevator in the Woods building?—A. No, none whatever. You see that is a very ancient contract that was cleaned up long ago.

Q. But if there was any question of rebate that would be fresh in your memory?—A. There was no talk of that at all.

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Q. You have not an entry as to the amount paid for this elevator?—A. No.

Q. Have you any entry to show the amount paid for the elevators in the Canadian building?—A. I guess we will.

Q. In your office here?—A. Not in my office here.

Q. Who would give us that information?—A. My brother would I think.

Q. Do you know when these elevators were put in, taking the elevator in the west half of the Canadian building?—A. No, that I could not say.

Q. You are giving us no information here at all. We wanted those dates, that is what I called you for, to get all this information, the dates and the amounts paid.

A. Well you see I came in here only yesterday, and I only received your notice at my office yesterday, so I had not time to get any information, only in a general way.

Q. Do you know how much the elevator in the west building cost?—A. That contract included freight machines.

Q. Where?—A. Included the freight machine at the back of the building, in the rear. You see there were five elevators in this building altogether.

Q. What did the five elevators cost?—A. That I cannot say.

Q. What did the total contract cost?—A. That I cannot tell you either, for you see a large portion of that contract, the contract we refer to, dates back to the old Woods building.

Q. But the Canadian building was built subsequent to the Woods-building?—A. Yes.

Q. Can you give us any information as to the cost of any of the elevators in the Canadian building?—A. Let me see. I say the contract would run up into the neighbourhood of \$20,000.

Q. It was one total contract for the five elevators?—A. No, not one total contract.

Q. Well how were the contracts taken. You negotiated the sale. That is a short time ago. Tell us what was the contract?—A. The contract was for two, there were passenger and freight.

Q. In one contract?—A. In one contract.

Q. How much would they cost?—A. Well that was in the neighbourhood of \$11,000 or \$12,000.

Q. What was the next contract?—A. The next contract was for one passenger, \$8,000.

Q. Were they put in simultaneously?—A. Oh, no.

Q. How much time between them?—A. They were together practically. There was not more than a month or two.

Q. Practically put in together?—A. Practically.

Q. During the progress of the erection of the building?—A. Yes, only in one case he had to retrim his floors.

Q. Did you superintend the putting in of the elevators?—A. Not the putting in.

Q. You were present?—A. From time to time, yes.

Q. At the time the elevators were put in there were no persons occupying the building?—A. Not that I can remember, no.

Q. And you cannot tell us the cost?—A. Not for the contract at all.

Q. Nor the date when they were put in?—A. No.

Mr. SHARPE.—I think that is all I have to ask this witness.

*By Mr. Carvell:*

Q. Did you in all these contracts with Woods charge any more than the commercial rate?—A. No.

Q. The same as you charge anybody else?—A. The same as anybody else for the work.



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Q. You were simply making the best contract you could?—A. The best contract I could, and I took Mr. Wood's offer. At that we were not the lowest tenderer.

Q. How did you happen to get it then?—A. That is just it. We convinced Mr. Woods that we had the stuff he needed and he was satisfied to pay the price.

Q. He was willing to pay the price to get the article?—A. Yes.

Q. So far as you and Mr. Woods were concerned it was a straight business transaction?—A. Absolutely.

Q. At the time you sold this elevator did you know that the government was paying any portion of the cost of those elevators?—A. No, sir, I did not know.

Q. No information of that whatever?—A. I did not know anything about that.

*By Mr. Sharpe:*

Q. You supplied more than the elevators to Mr. Woods?—A. There were enclosures.

Q. Costing \$3,000 apiece?—A. Round about that.

Q. You say there were in addition the enclosures. That would not be part of the elevator, the steel enclosures?—A. Yes, that is right.

*By Mr. Carvell:*

Q. Do you say that these enclosures would be \$3,000?—A. Thereabouts. In the Canadian building they would be considerably more, but I am merely totting it up as an average. They would not be quite so much in the other building as a matter of fact but they are more in the Canadian building.

Witness discharged.

C. BERRY, called, sworn and examined:

*By Mr. Sharpe:*

Q. Your name is Charles Berry?—A. Yes.

Q. You are the engineer who has charge of the heating of the Woods building and the Canadian building?—A. Yes.

Q. How long have you been employed in connection with that service?—A. About nine years.

Q. You were there from the time the Woods building was erected. You have been in the employ of Mr. Woods heating that building from that time?—A. Yes.

Q. Are you hired by the year?—A. By the year.

Q. Have you assistants hired by the year or by the month?—A. By the year.

Q. How many assistants have you for heating both buildings?—A. Two.

Q. Including yourself?—A. Including myself.

*By Mr. Carvell:*

Q. Do you say two including yourself?

Mr. SHARPE.—Two excluding himself, three altogether.

*By Mr. Sharpe:*

Q. How many months in the year are your assistants with you?—A. Well, it depends, sometimes six, sometimes eight.

Q. From six to eight months?—A. Six to eight.

Q. What do you pay them a month?—A. That I do not know.

Q. You are foreman in charge of the whole business?—A. Yes.

Q. What is your salary?—A. \$900.

Q. \$900 a year. Free house?—A. No.

Q. \$900 gross, that is what you get. I understand you have a heating apparatus in Woods building that heats both buildings, both the Woods and the Canadian building?—A. The Canadian building.

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Q. And it heats both buildings?—A. Heats both buildings.

Q. You have a passageway under the sidewalk that connects the heating of both buildings?—A. Yes.

Q. Do you burn hard or soft coal?—A. Sometimes the hard coal, sometimes slack, sometimes three-quarter lump, sometimes run of the mine.

*By Mr. Carvell:*

Q. Do you ever burn peat?—A. No.

*By Mr. Sharpe:*

Q. What have you burned this last winter?—A. Run of the mine.

Q. What is that worth a ton?—A. I do not know what they pay for the coal. I never asked a question about that.

Q. Who would know that?—A. Mr. Linton.

Q. He is the secretary-treasurer of the company?—A. Secretary-treasurer of the company. All I know in regard to that is that when I want coal I tell them I want it.

Q. They buy it by the carload?—A. Yes.

Q. How many tons a year for heating both buildings?—A. Well it runs anywhere from 1,100 to 1,200 tons.

Q. Not 800?—A. No.

Q. Did you ever tell anybody it was 800?—A. No.

Q. 800 tons of soft coal?—A. Oh, no, that is for the Canadian building.

Q. For heating both buildings?—A. Oh no, not for heating both buildings.

Q. Well, take it at 1,100 or 1,200 tons. You don't know the average cost, you don't know the average worth?—A. No, I do not know.

Q. Tell us the proportion of coal you use. Run of the mine, how much would you use of that?—A. Well, you see I have never had it separate. That is practically never kept in detail.

Q. What is the proportion, one-half or three-quarters?—A. About one-half I should think.

Q. And the other half would be composed of what?—A. Practically of slack and three-quarter lump.

Q. You have not hard or anthracite coal?—A. No. Of course, I have to take it when I cannot get soft coal.

Q. But you burn soft coal?—A. As a rule.

Q. Did the men ever tell you what they were getting?—A. No; I never asked.

Q. Mr. Ewart in his report stated that the men were paid from \$45 to \$50 a month?—A. That might be probably what they get.

Q. If we take it at \$50, for six months that would be \$300 which they would get. So their wages would be \$600 and your \$900 would make \$1,500 a year?—A. Yes.

Mr. CARVELL.—The witness did not say that.

*By Mr. Sharpe:*

Q. He said yes. You said that the two men got \$600 a year, didn't you?—A. No.

Q. You said that would be about it?—A. According to those figures.

Mr. CARVELL.—According to Mr. Sharpe's evidence.

*By Mr. Sharpe:*

Q. According to the figures. Facts cannot lie. You can disprove them if you like?—A. As for the men's wages, I do not know anything about them.

Q. We are putting it at \$5 less than the chief architect put it?—A. They may be get that; they may be getting \$60, I don't know.

Q. When did they start this work?—A. The boilers?

Q. Yes?—A. On the 15th October. No, not October, 15th September.

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Q. And, of course, it will depend on the weather when you let them quit?—A. There has never been a season that I have not been to 15th May. Last year it was the 10th of June.

Q. You say from six to eight months. We will give my friend an additional two months. We will make it eight months. That would be \$400, eight months at \$50 a month?—A. I do not know anything about that.

Q. We are allowing them \$50. With two assistants, that will be \$800, and you get \$900. That is \$1,700 a year which will be added to the price of the coal?—A. Which I do not know anything about.

Q. And which we will try to find out somewhere. Now, what other expense would there be in connection with the heating of the building?—A. There would be all the repairs.

Q. Who does the repairs?—A. I do that, the majority of it, unless there is too much of it, then I have to call in help.

Q. Have you called in any help this year?—A. Yes.

Q. Very often?—A. Quite a lot this year.

Q. How much would it amount to?—A. Well, I could not exactly tell you.

Q. \$25?—A. It would go up into the hundreds.

Q. How many hundreds?—A. Probably \$200 or \$300, that is for labour alone.

Q. Outside of yours?—A. Outside of mine, not counting material; and I am quite sure it would run up in material alone to \$400 or \$500.

Q. That would be an exceptional year?—A. Pretty near every year I run \$400 or \$500 for repairs.

Q. Tell us some of the repairs that run up into the hundreds?—A. Practically all the repairs of that building.

Q. Tell us something about this last year?—A. Well, there was the connection of the boilers. All had to be removed.

Q. You could make those connections if you had the material?—A. Yes.

Q. I mean outside of yourself, who did any work on the boilers?—A. I had to have a steamfitter this year.

Q. Who did you employ?—A. One of O'Connell's men.

Q. How long was he employed?—A. I could not say.

Q. Roughly speaking, how long was he employed?—A. Well, I suppose he might probably be three weeks.

Q. Was that at the beginning of the season?—A. No, not altogether at the beginning of the season; off and on, you know, there were repairs going on.

Q. Were there any serious breakages?—A. Yes, there was one serious break this season, when I could not give them heat for over forty-eight hours.

Q. What did it cost to repair that?—A. There were three men besides myself working over forty-eight hours.

Q. Well, that is something exceptional. You have not a breakage every year?—A. Oh, no; not like that every year.

Q. You do not mean to swear that the repairs to the heating apparatus run up to hundreds every year?—A. Pretty near.

Q. Was last year your worst year?—A. Last year would be as bad a year as any.

Q. And what would be the maximum amount, say last year, \$200?—A. I have no idea about that.

Q. Would you put it above \$200?—A. \$300 or \$400.

Q. Would you put it above \$400?—A. I would put it above \$400 anyway.

*By Mr. Carvell:*

Q. Are you talking about the Woods building?—A. That is counting wages and material, time and material as we would call it.

Mr. SHARPE.—That is all.



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*By Mr. Carvell:*

Q. You don't know whether your estimate of \$400 is right or not?—A. I would not swear to it.

Mr. SHARPE.—It is the outside mark.

*By Mr. Carvell:*

Q. Do you say that \$400 is the outside mark?—A. I would not like to swear that \$400 was the outside mark.

Q. It might have been much more than that?—A. Yes.

Q. Do you keep any record?—A. Record of nothing.

Q. You are making an estimate?—A. An offhand estimate.

Q. If the plumbers and steamfitters of Ottawa are like any others in the world I think that estimate is likely to be very low?—A. Of course when you take a steamfitter and when it comes after a certain time at night you have to pay him double time. Our worst breakages in a year occurred this winter, for instance, there were two branches there that left the windows open all night. That was on a Saturday afternoon. Well, the constable on duty has no authority to go through the building and I have no authority to shut the windows and it turned very cold and there were three steamfitters along with myself working all day Sunday and all Sunday night, which would mean double time for a steamfitter.

Q. And these are just samples of the necessary repairs that are liable to take place any year in that building?—A. Any year.

Q. And if a person were going to sell that building by contract that would have to be considered in the probable cost?—A. Yes, that would have to be considered in the cost. You have to keep a heating plant in thorough repair.

Q. Are you using as much coal this year as ordinarily?—A. Yes.

Q. Do you use the same amount in a warm winter?—A. Just the same. There is no difference practically between a soft day and a day like to-day or below zero. My fireman has told me hundreds of times that they would rather fire below zero weather than on a soft day.

Q. Do they keep the windows open there?—A. They keep the windows open and the cold air blowing in on the radiators will condense the steam quicker than by backing pump or mercury pump can relieve those radiators.

Q. How do you store the coal, in what quantities?—A. Well, we ordinarily get up two or three, probably four, barge loads.

Q. And you store it in the building?—A. We store it right under the street.

Q. Are you able to store sufficient for the whole season?—A. Oh, no. We have always about this time of the year to get in between 20 and 30 carloads extra.

*By Mr. Sharpe:*

Q. These barges are shipped directly from the States?—A. I do not know where they are getting their coal from. I know it comes direct.

Q. Mr. Linton, would know the cost of repairs?—A. Yes.

Q. Did Mr. Linton see you before giving evidence to-day?—A. No, not on the evidence.

Q. Were you talking about being subpoenaed?—A. It was him that was talking to me.

Q. How did he come to find out that you were subpoenaed?—A. He asked me if the Public Works had subpoenaed me. I said 'No.' He says, 'They have, for I heard it.' 'Well,' I says, 'they have not.' I would not receive a letter sent down for the engineer because it was marked Barry, and I would have nothing to do with it, because I did not think it was mine. Supposing I had opened it and it had belonged to some one else, I would have got into trouble.

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Q. You did not open the summons?—A. It was the postman that opened the summons. I said it has nothing at all to do with me.

Q. Did Mr. Linton go over these items with you as to the amount of coal and the wages of the men?—A. No.

Q. He made no suggestions?—A. He made no suggestions at all. That is something that Mr. Linton would never do at all.

Q. He was curious about your getting the summons?—A. He might have been, but he did not appear that way.

*By Mr. Carvell:*

Q. When did Mr. Linton come to you about it?—A. I think it was on Monday.

Q. Monday afternoon?—A. Monday afternoon, I think.

Mr. CARVELL.—That is right. I want to tell you that I asked him why you were not here.

WITNESS.—I have the notice here now.

Witness discharged.

CHARLES HOLBROOK, called, sworn and examined:

*By Mr. Sharpe:*

Q. You are the senior member of Holbrook & Sutherland, contractors?—A. Yes.

Q. You built the Woods building?—A. Yes.

Q. And also the Canadian building?—A. Yes.

Q. Did you build it under contract or on day work?—A. Contract.

Q. Did the contract include all the four walls and the floors?—A. Four walls, floors vaults and excavation.

Q. And elevators?—A. No, sir.

Q. Was the building to be left ready of occupancy by you?—A. No, sir, we only did our own work.

Q. What would have to be necessary to complete it?—A. The wood work, painting, glazing, plumbing, heating and so forth.

Q. That would have to be done before it was ready for occupancy?—A. Yes.

Q. You did no interior painting at all?—A. I think there were some partitions, but very little I think.

Q. Were the buildings subdivided into partitions?—A. Yes, the Canadian building, both of them were divided into partitions after they were up.

Q. What was the contract price for the Woods building?—A. Somewhere about \$67,000 or \$68,000.

Q. What for the Canadian building?—A. \$88,000 or \$89,000 something like that. I cannot tell you to a dollar or to a hundred.

Q. Were there apertures left in the floors for the elevators?—A. No, sir, we had to cut one out.

Q. One floor?—A. We had to cut one out from top to bottom. All the beams were hinged up. We had to cut out the concrete in all the floors, put in trimmers. It was quite a job.

Q. That was extra on your contract?—A. That was an extra.

Q. The elevators were put in in both buildings before you left the contract, before you completed the contract?—A. No, I do not think they were before we completed our first contract. Of course we had two contracts there.

Q. The first was in Woods building and the second in the Canadian building?—A. Yes the second contract was to divide the building up before we completed our inside partitions. The elevator was there I think. I am not quite sure whether it was running. I do not think it was running.

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Q. So before you had anything to do with the partitions the elevators were in the building?—A. I could not say that.

Q. I thought you said that?—A. I said before we were completed with the partitions I think the elevators were in but I cannot tell just the time.

Q. Two elevators were in the Woods building before you had anything to do with the subdivisions?—A. Well, I presume not. If I remember right, that is nine years ago, I presume—

Q. I do not want you to presume if you cannot answer?—A. I cannot answer.

Q. That is better. Now taking the Canadian building, do you know, as a matter of fact, whether they were in under the original contract or not?—A. I could not tell you.

Q. There were spaces left in the Canadian building for elevators?—A. On one side there was not.

Q. On one side there were?—A. On one side there were.

Q. When did you cut the floor for the second elevators?—A. After the building was up.

*By Mr. Carvell:*

Q. Did I understand you to say that you had to cut out for one elevator in the Woods building and one in the Canadian building?—A. One in the Canadian building, the white brick building on the east side.

*By Mr. Sharpe:*

Q. Taking the Woods building, you did certain work after your original contract?—A. Yes, sir.

Q. Have you the particulars of that work?—A. Well we gave a tender for the whole thing. We did nothing by the day.

Q. Have you the contract here?—A. \$16,000 for the partitions.

Q. I am speaking of the Woods building?—A. I cannot tell you about that.

Q. Have you your contract here?—A. No, sir.

Q. Is it available?—A. I do not know where it is now.

Q. Have you a regular bookkeeper?—A. We have had three or four bookkeepers since that date.

Q. Do you destroy all important documents like that?—A. I could not tell you.

Q. Have you looked for it?—A. I looked for it and I could not find it.

Q. Have you the contract for the Canadian building?—A. Yes.

Q. Have you it with you?—A. No, but I can tell you the figures. Mr. Woods would have the tender, it would not be me.

Q. But you would have a copy?—A. I would have a copy.

Q. There would be two originals?—A. Sometimes there is and sometimes there is not.

Q. After you divided the Woods building into partitions who did the painting of the building?—A. I think it was Carson.

Q. And he painted both the partitions and the wood work in connection with the whole building?—A. I think so, I think he did the painting.

Q. Hé would take that as one contract?—A. I do not know how he would take it. It had nothing to do with me at all.

Q. Were the iron stairs put in under your original contract at the time you were erecting the building?—A. We had nothing to do with the iron work.

Q. But were they put in contemporaneously with the work?—A. They were put in before the building was up.

Q. Before you handed over the contract?—A. Yes, before we handed over the contract.



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Q. The same with the Canadian building?—A. In Woods building they put in a steel trimmer in the upper story to let them up to the upper story. We cut one stair-way there and had new stairs go in there.

Q. But the stairs in the Woods building and apart from what you have told about the top story and the stairs in the Canadian building were all put in before you handed the contract over?—A. We had nothing to do with the stairs.

Q. You would know whether they were in or not?—A. I think they were in.

Q. The same way with the vault fittings, they were all in before you handed over the contract?—A. Not the first contract.

Q. The Woods building?—A. Yes, I think with the Woods building.

Q. And with the Canadian building?—A. I think we built the vaults in the Canadian building after. After we put up the partitions several vaults were built there, I cannot tell you how many.

Q. Your contract in the Canadian building under the first lease, your first contract for subdividing amounted to how much?—A. Subdividing which, the partitions?

Q. Yes.—A. Somewhere about \$27,000.

Q. Both buildings?—A. No.

*By Mr. Carvell:*

Q. How is that?—A. The first contract for the building was somewhere about \$88,000, if I remember right, that is the building. The laying out of the partitions, the cutting for the elevators, the mantels, and one thing and another, came to \$27,000.

*By Mr. Sharpe:*

Q. Even money?—A. I cannot tell you that. That is within a hundred or so of dollars.

*By the Chairman:*

Q. That is the Canadian building?—A. That is the Canadian building.

*By Mr. Sharpe:*

Q. That was the partitioning of one side?—A. Both sides.

Q. Did you have other work besides that? Did you put in mantels.—A. Put in mantels.

Q. Did you put in the terazzo floor?—A. That was in before.

Q. Who put that in?—A. Mills I think.

Q. Was that put in while you were working at your contract?—A. I think so. We were there. The work went on together.

Q. I do not mean the partitions, but the main building?—A. Main building and the floors. After the main building was up and the roof and the floors and so forth.

Q. Was the terazzo floor there before you started to subdivide them into offices?—A. Yes.

Q. And the terazzo floor under the first lease amounted to \$4,680.30?—A. I do not know anything about the terazzo floor.

Q. And the government paid one-half of the expense of that floor?—A. Well I can say nothing about that. That is not in my work.

Q. Was there any plumbing done in the building while you were doing the main contract work?—A. No, I do not think there was any plumbing.

Q. Would it not have to be contemporaneous?—A. There were only closets.

Q. The connections and that sort of thing would have to be made?—A. Not for plumbing. Not for that building, only for heating. That building was never intended to be laid out for plumbing. It was built for a warehouse.

Q. How was the plumbing put in, afterwards?—A. Cut through.

Q. Cut through the walls?—A. They had to bring it up from below and cut the concrete floors and so forth.

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Q. Pipes strung along the walls. They were not put inside the walls?—A. No, all open plumbing I think, basins and everything like that.

Q. Did you do all the partition work?—A. We did all the partition work.

Q. What work did Low do?—A. Low did the same work for us, a little work.

Q. That was a sub-contract?—A. Yes, I think that was in the Woods building if I mind right.

Q. No, it was in the Canadian building according to the returns here. You don't mean to say that subdividing the Canadian building, the one-half of the building and the two top storeys and the others into offices, partitioning them off, cost \$27,000 odd?—A. The two top storeys? I did not tell you the two top storeys. I told you both sides of the building. We only had the brick work, we did not have any plastering or any painting.

Q. Any brick or concrete work to do?—A. I guess half a million terra cotta brick there.

Q. And the carpentry work?—A. No, we didn't have the carpenter work.

Q. That is not included in your \$27,000?—A. No, that is not included in the \$27,000. We did a piece down below at \$10 and \$12 a lineal foot as per agreement with Mr. Ewart.

*By Mr. Carvell:*

Q. A small portion included the carpenter work?—A. That is all.

*By Mr. Sharpe:*

Q. But the main body?—A. We had nothing to do with the carpenter work or the painting or the plumbing or the glazing, only our own work.

Q. Did Carson paint all the Canadian building after your contract was through?—A. I think he did.

Q. And while he was painting the partitions did he paint the woodwork of the walls?—A. There is very little woodwork in it. I do not think there is any woodwork around the windows, it is fire proof. I do not know what Carson did. I know he was there with his men, that is all I know.

Q. What was your total contract for both sides of the Canadian building?—A. About \$27,000.

Q. And that included Low's carpenter work?—A. No, that did not include Low's carpenter work.

Q. That is exclusive?—A. I think Low did his work in the other building. His work was very little anyway. I think it was in the other building anyway.

*By Mr. Carvell:*

Q. The work was done for you?—A. It was done for us.

*By Mr. Sharpe:*

Q. Was the electric wiring done for you at the same time?—A. They had to come again and put in partitions.

Q. Was that done at the same time?—A. Certainly, after the building was covered in.

Q. And the roof on for stringing the electric wiring all round the building?—A. Electrician men worked there.

Q. So that any subsequent contract work would be in connection with the partitions?—A. Yes.

Q. Making the connections with the wiring through the walls?—A. I never thought of all that.

Q. Who did the electric wiring?—A. I could not tell you.

Q. Was it Marchand in the city?—A. I could not tell.

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Q. Is that a firm in the city?—A. There is a Marchand here.

Q. And you say the vaults were all done at the same time and you built some of the vaults?—A. The vaults? That is the terra cotta vaults.

Q. And the terrazo floor was done as soon as the roof was put on?—A. That was done as soon as the roof was put on.

Q. That had nothing to do with the alteration of the building?—A. No, as far as we were concerned.

Q. No part of the floor was turned up and changed so far as the partitions were concerned?—A. I do not know whether there was any cutting for pipes. I presume there was.

Q. It would be only a little?—A. I do not know about that.

Q. There would not be \$4,000 put on?—A. I could not say about that.

Q. What was it worth to cut floors ready for the elevator shaft, roughly speaking?—A. I guess it cost \$500.

Q. And that is included in your \$27,000 is it?—A. I do not think it.

Q. Did your contract call for storm sashes?—A. No.

Q. Did you render an itemized bill to Mr. Woods?—A. I gave a tender for it.

Q. You gave a tender for all the work?—A. Floor by floor as we got plans from the government before we got started.

Q. And Mr. Woods accepted the tender?—A. Yes.

Q. The government had nothing to do with it?—A. Nothing whatever.

Q. And your terra cotta partitions completed, that would be your work?—A. Not complete. Only the terra cotta work. The plastering, painting and glazing had to come afterwards.

Q. The painter had to come?—A. Certainly.

Q. And the plasterer?—A. Certainly.

Q. And the glazier?—A. Certainly. And the electrician men had to come after us.

*By Mr. Carvell:*

Q. What about the hardwood floor?—A. We left it there. We had to cut a lot of it up, but that was not in our work.

*By Mr. Sharpe:*

Q. This is a return from the government. Look over those items and pick out your item. This is under the first lease. 'Holbrook & Sutherland, brick and concrete, \$16,001.'—A. We had nothing to do—

Q. Just look over that list please?—A. That is all we had.

Q. Now look over this and pick out the items you had to do, 'Terra cotta partitions.' That would be yours?—A. Yes.

Q. \$10,160?—A. That is all right.

Q. Please look over that carefully?—A. Yes, that is the one we did.

Q. 'Cut openings through walls and repairs, \$150.'—A. Yes, That is all we did.

Q. That is all is it?—A. That is all we did.

Q. You have not your contracts or books here?—A. No, sir.

Q. Did you cut an opening through the floors for the shaft of the elevator at the same time as you were making those partitions or before?—A. That I couldn't tell. I think it was about the same time we were laying out the building. I know all the beams were hinged up.

Q. That was before the partitions started you cut this floor?—A. I think so. It is pretty hard to mind. For a man having so many jobs to look after it is very hard to keep a thing in his head.

*By Mr. Carvell:*

Q. You mentioned having a contract for the Woods and also for the Canadian building?—A. Yes.



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Q. Tell me generally what did those contracts cover?—A. I would think the Canadian building cost \$300,000.

Q. Oh, no. What did your contracts cover?—A. Excavation, concrete, brick and stone and that is all.

Q. Steel work?—A. Setting the steel. We did not furnish it.

Q. You did not furnish it?—A. Just so. That is all our contract covered.

Q. Just excavating?—A. And concrete, brick and stone, and setting the steel.

Q. Did you put a roof on it?—A. Yes, that is concrete. Oh, yes, we put the roof on. We did not put the paper on. We put the concrete on ready for the paper.

Q. Would there be any carpenter work?—A. Where, in the roof?

Q. Yes.—A. No carpenter work on the roof.

Q. Except the forms?—A. That is all.

Q. Was that the same kind of contract you had for the Canadian building?—A. Both the same.

Q. You said the Woods building was originally intended for a warehouse?—A. We built it for a warehouse as I understood.

Q. You put in no doors?—A. There were no doors in it.

Q. Did you put in the windows?—A. We did not furnish the windows but we built the window frames. No, the carpenter furnished the window frames.

Q. But it was not in your contract?—A. No, not in our contract.

Q. I would like to ask you as a practical man, what would you say would be the value of the Woods building at the present time?—A. I take it about \$300,000, from \$250,000 to \$275,000.

Q. And the other?—A. The other is bigger.

Q. What would you say it would be worth?—A. Oh, \$300,000.

*By Mr. Sharpe:*

Q. Your figures are estimated at present values?—A. I think they cost it. I would not take anything less. I do not think a man would take anything less if he wanted to make salt for his porridge out of it.

Q. And the walls are brick?—A. The walls are brick, but very thick.

Q. The only steel in the building is in the floors?—A. There are iron columns through the centre and steel beams.

Q. The only steel used in the building is in connection with the floors?—A. That is all.

Q. And that applies to the Canadian building as well as the Woods building?—A. Yes, and concrete for the steel.

Q. If Mr. Woods told the assessor that the Woods building only cost \$110,000, would you contradict him?—A. I do not know what he told you. A man might tell the assessor what he would not tell another man.

Q. Mr. Woods would not do that?—A. I do not know. I think you or me would either.

*By Mr. Carvell:*

Q. If he did?—A. He told him enough any way. He is paying enough taxes any way.

Q. And if he did deceive him he would not be the first man in Ottawa to do so?—A. He would not.

*By Mr. Sharpe:*

Q. If he showed the figures in his books totalling up \$110,000, you would not contradict that?—A. I do not know what he told him.

Witness discharged.

## APPENDIX No. 2

DAVID EWART, recalled and further examined:

*By Mr. Sharpe:*

Q. Did you find out when the Canadian building was occupied?—A. Yes, the Department of Agriculture——

Q. Taking the west half of the Canadian building?—A. That is the first lease.

Q. Who got the first floor?—A. The Department of Agriculture, Dairy, got it on 30th January, 1906.

Q. What floors?—A. Well, I could not tell you that.

Q. Who gave you that information?—A. This was information we had filed in our office as it went in.

Q. Where is that information now?—A. It is in my office. We noted when they went into the building. This is a copy from a book there.

Q. Why did not you bring over the book?—A. It is a great big scrap book. You can get it if you want it but this is a copy taken from it.

Q. But it don't state the floors?—A. I was going to read what I have got. The Marine and Fisheries Department, February 8, 1906; the Department of Agriculture (Live Stock), February 12; Agriculture (Seed) February 21; Marine and Fisheries, (Tidal Survey) March 19—these are all 1906—Agriculture (Census) April 1; Railways and Canals, April.

Q. What year?—A. All the same year; Interior 1st May.

Q. 1906?—A. 1906.

Q. Now that don't help us much because it don't tell us what buildings they occupied. Did they occupy one floor or two floors?—A. What I understand is that this takes in the whole of the first lease.

Q. Does your memorandum show that?—A. Well I think it does.

Q. Now just to show you how inaccurate in my opinion those figures are, let us look at a letter dated October 23rd, 1907, a letter from Mr. Woods to you. This letter is dated October 23rd, 1907, and Mr. Woods writes to you:

As we are nearly moved out of the three top flats in the Canadian building and are prepared to carry out your plans in dividing up these floors in offices to suit your government as per conditions already mentioned in our previous letters, and now that each day sees the weather less favourable for economically doing this work we would appreciate your letting us know your pleasure at your earliest convenience.

A. That would be the second lease.

*By Mr. Carvell:*

Q. That is the Canadian building.

*By Mr. Sharpe:*

Q. The west half of the two top floors was in the first lease?—A. I think that might be explained. They moved down. Some of them moved down.

Q. The first lease is the west half of the building and two top floors of the east half?—A. That is right.

Q. That includes the two top floors of both sides. Here is the letter of October 23rd, 1907, to you from Mr. Woods in which he says, 'As we are nearly moved out of the three top flats in the Canadian building and are prepared to carry out your plans in dividing up these floors in offices to suit your government, as per conditions already mentioned in our previous letters, and now that each day sees the weather less favourable for economically doing this work we would appreciate your letting us know your pleasure at your earliest convenience.'

*By Mr. Carvell:*

Q. That is the Canadian building?—A. That is making preparation I understand for the second lease.

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*By Mr. Sharpe:*

Q. On the three top floors?—A. He might call them the top places he was occupying.

Q. In the Canadian building?—A. It might be the three top places he was occupying. I can give you what we have under the second lease.

Q. Where is Mr. Blue's department?—A. I would say Mr. Blue's department is the Census.

Q. But what part of the building does he occupy?—A. I could not say.

Q. What part of the building does Mr. Sydney Fisher occupy? Is he in that building?—A. No, I do not think so. That is the Minister of Agriculture.

Q. Well this is what the letter of October 23rd, 1907, says: 'We might say that the Hon. Sydney Fisher wants the flat on the top directly opposite to Mr. Blue's department. Mr. O'Halloran informs me that he will make the formal application to-morrow while the Department of Interior now are able to do with four flats and part of the basement. This takes almost all of the space that remains in the building.'—A. He might want it for some particular purpose of the department.

Q. I want to find out when these various departments took possession of the building. Apparently you cannot tell us more to-day than the last time you were here?—A. I am giving you these dates.

Q. But you don't say what places they occupy?—A. I could get that.

Q. Don't you think that is what we asked for?—A. No, I thought you wanted to know when the buildings were occupied.

Q. Now this is a letter dated December 12, 1907, addressed to you from Mr. Woods: 'Dear Sir,—In reply to your favour of the 10th instant inclosing plan of partitions to be erected on the fifth floor Canadian building, also details of same, we beg to quote you \$10 per lineal foot for terra cotta brick walls set in cement seven feet six inches high by four inches, hard wall plaster on both sides, ash base on both sides, burlap and chair rail in the halls consistent with the balance of the building, walls of hall to be tinted, windows to be wire glass, fanlights hinged. Ash panel doors, architraves, frames, ground glass panel, two 5 x 5 hinges, locks similar to what is installed in the other parts of the building, finished complete \$30 each, tinting and patching all other walls and ceilings 8 cents per square yard. If these prices are satisfactory we are prepared to begin the work to-morrow and complete with the utmost despatch.'—A. That would be the second lease.

Q. Well the second lease was not entered into until April 16, 1908. Why would you be furnishing plans to the department before the lease was executed. Had you arranged the terms of the lease?—A. We have to furnish plans before.

Q. Your lease provided that it would be subdivided according to your plans, each to pay one-half. Now you say that you are furnishing plans before the lease was executed?—A. We have to furnish plans to let them see.

Q. The lease provided for all that. The lease provided that the subdivisions will be made according to the plan. You did not have to furnish any plans before the lease was executed?—A. I think as far as my memory goes, the plans were all furnished before the lease was executed.

Q. So you had all the plans provided and the bargain completed months before the lease was executed?—A. I did not say that.

Mr. SHARPE.—You said the plans were—

Mr. CARVELL.—Let the witness answer.

The WITNESS.—I did not say that; I did not say that I would consider that that would be a proper way to do.

*By Mr. Sharpe:*

Q. Taking that answer, you remember that your lease provides for a certain length of time and Mr. Woods was to subdivide the building into offices and partitions?—A. Yes,



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Q. According to the plan which was to be furnished by the department?—A. Yes.

Q. Don't you think the lease should be signed first and the plans dividing the offices submitted after the lease was executed?—A. I do not see what difference it would make, before or after.

Q. You are putting the cart before the horse. You want your bargain completed before you furnish plans?—A. I do not see it.

Q. You do not see that?—A. I do not see it. It was an agreement what the partitions were to be.

Q. And yet you see according to this letter of October 23, 1907, Mr. Woods writes: 'As we are nearly moved out of the three top flats in the Canadian building.' You say that refers to the second lease?—A. I do not swear that because I am not there but I would be quite satisfied to look at it in that way.

Q. Have you any plan to show what departments are going into this Canadian building?—A. I have the plans there.

Q. Can you tell us who occupies them?—A. No.

Q. Who will be able to get that information?—A. I will get it put on the plans for you. They are always changing round. The parties who went in first are not there now.

Q. I want to know the parties who originally went in? You say you have the dates?—A. I could get you that.

Q. You are not so dense as not to know what I am after. I want to know how long this lease was executed and how long we were paying rent?—A. I did not know you wanted to get the names of the different departments with the different places. What I understood you to ask me was to get the dates on which the buildings were occupied.

Q. Yes, but the various places. Here is the man saying in October, 1907 that three places were occupied by himself and the lease is dated back to September 13, 1906, over a year back, and rent was running from the 1st January, 1906?—A. What lease is that.

Q. The lease of the Canadian building?—A. Rent was to be computed from January 1.

Q. Although the lease was executed on September 13, 1906, three top places were occupied by Woods in October, 1907, two years afterwards?—A. I do not think that is the case. However, it is a simple matter to find out.

Q. What I want to find out is who went in on the first floor under that Canadian lease?—A. These are the dates.

Q. These are of no use to me. I do not know whether they occupied half a flat or three places or what they occupied. I want each flat and who occupied it and when. You understand now what I want?—A. Yes, I understand what you want.

Q. Now in the Debates of the session of 1909, 'Hansard,' Volume 1, page 1615, these remarks were made. I want to read them to you and see whether they were correct:—

'Mr. J. D. Reid. I have not the least doubt that the minister will find if he inquires that the rental of similar buildings on the same street is much less than he is paying. If I rent an office down town I may pay 56 cents per square foot on the exact number of feet in the room, but when this building was rented to the government they measured the halls, the elevator shaft and everything else around the building.' He is referring to the Canadian building.

'Mr. PUGSLEY.—How does the honourable gentleman know that?

'Mr. J. D. REID.—It has been reported to me and the proof is that judging from the size of the building I do not believe you could figure out such a rental unless they measured the hall.

'Mr. J. A. CURRIE.—And the roof.

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'Mr. J. D. REID.—Yes, and the cellar as well.

'Mr. PUGSLEY.—The honourable gentleman has the unhappy faculty of assuming things to exist which do not exist in fact. The honourable gentleman is entirely mistaken in saying that the corridors were included in estimating the area. We have the most correct measurement of every room in the building.'

Now when Mr. Pugsley stated that Mr. Reid was mistaken in saying that the corridors were included in estimating the area Mr. Pugsley was mistaken wasn't he? —A. He was mistaken in one of the buildings anyway.

Q. Referring to the Canadian building?—A. Well the Canadian building, we have had the last lease exactly measured out.

Q. And it includes corridors you told us the last day, and the stairway?—A. That is right.

Q. And the elevator shaft?—A. That is right.

Q. And the cellar?—A. That is right.

Q. So that only Mr. Pugsley was mistaken when he stated it did not include the corridors?—A. It includes the corridors.

Q. And the Woods building includes the corridors too?—A. Yes.

Q. So that take either building it includes the corridors?—A. Yes.

Q. And the elevator shafts?—A. The gross area.

Q. Everything within the walls?—A. Yes.

Q. Including the spaces within the partitions?—A. Yes.

Q. And the donkey man's room down in the cellar?—A. Yes, it includes the basement.

Q. The whole cellar basement?—A. Yes.

Q. What was the assessment of Woods building in 1904 according to the assessor? —A. I do not know.

Mr. SHARPE.—What was your figures Mr. Carvell, the assessed value of the Woods building in 1904?

Mr. CARVELL.—My memorandum is up in my room. My recollection is \$110,000 and \$6,000 or \$7,000 for the land.

*By Mr. Sharpe:*

Q. The assessment was made in 1904 for 1905 \$110,000, the completed building. The assessment on the Woods building in 1904 was only \$110,000 and the yearly rent was \$25,777.20 over and above all taxes, heating and lighting. That is right isn't it? —A. \$25,777.20.

Q. So that four years' rent would pay the cost of the building pretty nearly?—A. If the building cost that. That is only the assessor's value.

Q. On the word of Mr. Woods?—A. Well, of course, that is a thing I do not know.

Q. You heard him say that he looked at Mr. Wood's books?—A. I did not pay close attention. I would not say that.

Q. If the second Wood's lease had been made on the same terms as the first lease then there would not have been any expenditure for partitions, &c., on the part of the government amounting to \$14,593?—A. That is right.

Q. And if the Canadian building lease had required Woods to pay for the partitions as he did in the first lease there would not have been \$45,900.69 expended by the government on partitions?—A. That is correct.

Q. The assessor stated that the assessed value of the Canadian building in 1907 was \$141,800, the rental was \$42,536.90 over and above all taxes, heating and lighting?

Mr. CARVELL.—That is the assessment you are talking about.

*By Mr. Sharpe:*

Q. Yes. In three and a half years the rental from the Canadian building would pay the cost of the construction of the building if the cost of construction was the same as the assessed value?—A. I do not know.

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Q. You are giving the evidence, I want you to figure it out. The assessed value was \$141,800, the rental was \$42,536, and roughly speaking in three and a half years the rental would pay the cost of construction?—A. If the construction was what the assessor stated, it would be that.

Q. That is the evidence I want to get on record. When Mr. Woods valued the partitions in the Woods building as costing \$6,000, I read his letter the last day you remember, and he stated he would do that at his own expense, how did the partitions in the Canadian building, partitions, &c., cost \$91,981.38?—A. Well it is a very simple matter that, because there were far more feet in the one partition than in the other.

Q. There were only two more stories?—A. Suppose you had ten partitions in one floor where you had not one in another.

Q. Would that make that discrepancy?—A. You would have to take them out by the foot.

Q. As chief architect of the Public Works Department do you say that taking up those floors and those partitions was a fair item to charge against the government?—A. The contract states:—‘And any other alterations and additions that may be required by the said lessee shall be borne by the lessor and lessee each for one-half of the same.’

Q. You heard what the contractor said, that the terrazo floor was put in immediately the roof was put in and before any partitions were ordered at all?

Mr. CARVELL.—What was the agreement with the department? To let this from time to time while the building was under construction?

The WITNESS.—I reported on the building when there was only one story.

*By Mr. Carvell:*

Q. They built it according to the instructions of the department?—A. According to my report back in 1903, that was the condition of the building when I reported on it; and I may state now that when we were discussing that matter of rent I said \$9,200 and something, but I did not take in one floor that was leased at \$1,140. You cannot put wooden floors in water closets and lavatories.

Q. And these floors were put in there by instructions of the department?—A. Yes.

*By Mr. Sharpe:*

On November 24, 1909, speaking in the House about fair rental on real estate, Mr. Pugsley, on page 442 of *Hansard*, speaking about the charging of rent for a house that was built by the government on the Experimental Farm—

Mr. CARVELL.—Oh, now, Mr. Chairman—

The CHAIRMAN.—Does this come under the item?

Mr. SHARPE.—A comparison of rents. Mr. Carvell introduced a comparison of rentals on other buildings in Ottawa to show what was a fair and reasonable rental. I want to introduce this to show what, in the minister's opinion, was a reasonable rental for other buildings in Ottawa. This is a residence and the other is an office, but we can make those allowances.

Mr. CARVELL.—One is away out in the country and the other is here in the city.

Mr. SHARPE.—It simply goes to the value as to comparison. Mr. Pugsley, on page 442 of *Hansard*, says: ‘I am not a very good judge of rentals in Ottawa, but I would suppose \$1,000 a year would be a fair rental.’

Mr. GEO. TAYLOR.—Would that amount to 6 per cent?

Mr. PUGSLEY.—Very close to that.

Mr. GEO. TAYLOR.—The minister considers 6 per cent a fair rate for the owners of property to get?

Mr. PUGSLEY.—On a brick and stone building, where the wear and tear is not very great, yes.

Mr. GEO. TAYLOR.—It is on that basis that the government pays rent on property throughout the city for their own use?



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Mr. PUGSLEY.—We do not rent on that basis; we rent by the superficial foot.

Mr. GEO. TAYLOR.—Does that amount to more than 6 per cent on the value of the property?

Mr. PUGSLEY.—I am not able to tell my honourable friend as to that.

Mr. GEO. TAYLOR.—But 6 per cent on the value of the property would, in the minister's opinion, be a fair value?

Mr. PUGSLEY.—All I can say is that in my own city of St. John we consider 6 per cent rental on a stone or brick building as a very fair return.

Mr. BOYCE.—Not rental?

Mr. PUGSLEY.—No; gross rental.

Mr. BOYCE.—What would be the value of the site?

Mr. PUGSLEY.—We are building it upon government land. I am not able to say what the value of the site would be.

Mr. FOSTER.—The minister ought not to go to St. John when we are talking of rental values in Ottawa. The minister gave a statement of a fair value in Ottawa.

Mr. PUGSLEY.—I think 6 per cent.

Mr. FOSTER.—6 per cent would be a good rental?

Mr. PUGSLEY.—That is what I would suppose.

*By Mr. Sharpe:*

Q. Do you agree with Mr. Pugsley that that is a fair rental in the city, 6 per cent gross return on the landlord's investment?—A. No, I would not.

Q. Well, I will not press you any further?—A. The landlord wants to get all he can.

Q. Surely the department is not foolish enough to give him all he asks?—A. I would not say so.

Q. Did you ever make a counter proposition to Mr. Woods?—A. I have nothing to do with his propositions at all.

Q. Now, look at these items: The Woods building, annual rental and capital expenditure—annual rent, \$25,777.20; capital expenditure, \$31,351.48. Canadian building, annual rental, \$42,536.90; capital expenditure, \$91,981.38. That is the total rental of both buildings, \$68,314.10, and the government share of the capital expenditure is \$61,666.43. Verify those figures, please?—A. That is correct.

Q. So that the revenue of the Woods and Canadian buildings was \$68,314.10?—A. Yes.

Q. The rental net, therefore, would equal a net income of 10 per cent on \$683,141?—A. I have not figured it out.

Q. At 5 per cent it would represent a capital investment of \$1,366,282?—A. Yes.

Q. Besides improving in a permanent way the property by spending \$61,666.43 on permanent improvements, that is the government share?—A. Yes.

Q. Now although the first lease of the Canadian building is dated September 13, 1906, the rent is payable from and was paid January 1, 1906?

Mr. CARVELL.—Now hold on, I object to that.

Mr. SHARPE.—You can fix that up. Let him answer.

The CHAIRMAN.—What is the question?

Mr. SHARPE.—You can fix that up. Let him answer.

The CHAIRMAN.—What is the question?

Mr. SHARPE.—Is the first lease of the Canadian building dated September 13, 1906, and is the rent payable from and was it paid from January 1, 1906?

Mr. CARVELL.—I have no objection to that. I object to my friend giving the evidence. However, it has been going on so long that perhaps it is hardly worth while objecting now.

Mr. SHARPE.—I want the chief architect's views.

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Mr. CARVELL.—When he asks if it is true that the rent was paid I have no objection to that, but I do not think it is true.

The WITNESS.—I cannot answer that question.

Mr. SHARPE.—Well, we will have to look up the Auditor General's Report for 1907.

*By Mr. Sharpe:*

Q. The first lease is No. 6082. Now here is a copy of the Public Accounts in the Auditor General's Report for 1907, on page 88—V, and these are the items: 'Canadian building, Imperial Realty Co., rental six months to March 31, under lease, 6082, \$13,665.02, less \$1,901.18 charged to 1907-8, \$11,763.84. James W. Woods, rental nine months, September, 1906, under lease, 6082, \$20,497.54.'—A. Yes.

Q. So though the lease 6082 is dated September 13, 1906, we paid rent from January 1, 1906?—A. Yes. But the buildings were occupied in January.

Q. Some of them were according to your statement?—A. Yes, January, February and March.

Q. Although I produced a letter dated October, 1907, from Mr. Woods to you, stating that he had nearly moved out of the three top places of the Canadian building, if you take that letter in its literal sense he was occupying the three top places in the Canadian building?—A. Of course you may look at it in that way or any other way. A man has to find out which is the correct way.

Q. Now in the second lease, that is the lease dated April 16, 1908, the rent runs from December, 1907?—A. Yes, that is right.

Q. You do not know when possession was taken under that lease in the different places?—A. Not the different places.

Q. We will find that out next day?—A. Yes, I have noted it here.

Q. Although Mr. Woods in his letter of November 7, 1906, and his letter of September 20, 1907, which were read here last day and are on record, offers to rent the Canadian building and says there are elevators on each floor and that no more are necessary, and also that he is at his own expense installing passenger as well as freight elevators, the government paid for half of them?—A. The government paid for three elevators. There are four in the building.

Mr. CARVELL.—Surely my learned friend is not going to pursue evidence of this kind.

Mr. SHARPE.—I am asking if that is a correct statement.

Mr. CARVELL.—You have not to give evidence. You have not asked this witness any question.

The CHAIRMAN.—He may give us a statement made in this committee and ask him if it is correct.

The WITNESS.—What is it you want to know?

*By Mr. Sharpe:*

Q. Is this statement of the facts correct, Mr. Woods in his letter of November 7, 1906, and his letter of September 20, 1907, offers to rent the Canadian building and says there are elevators on each floor and that no more are necessary, and also that at his own expense he is installing a passenger as well as a freight elevator, and yet the government paid for one-half of those elevators notwithstanding that offer?—A. No, I do not think that is correct.

Q. Well we will have to get the correspondence.—A. Because there are four elevators in the building and they have paid for three.

Q. The government have?—A. Yes, paid one-half for three.

Q. Well the report of the Privy Council authorizing the second lease of the Canadian building, states that the government should pay one-half of the cost of alterations necessary by special service to which these offices were put by the department.

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Did the word 'alterations,' in your opinion as chief architect, include one-half of the elevators which were already installed?—A. Is that Woods building?

Q. No, the Canadian building. The report of the Privy Council authorizes the lease to be executed and states that the government should pay one-half of the alterations necessary by the special service to which the offices would be put by the department.

Mr. CARVELL.—Assuming now that you are correctly stating what the Privy Council report contains.

Mr. SHARPE.—It is on record.

Mr. CARVELL.—You know how easy it is to change a word. If you are going to ask this witness a question as to the Privy Council report you have got to put the report in his hands.

The WITNESS.—We are going on the lease. We are paying rent on the lease.

Mr. CARVELL.—This witness is not responsible for the lease.

*By Mr. Sharpe:*

Q. If the order in council only spoke of alterations the lease went away beyond alterations by paying for the elevator?—A. I have nothing to do with that.

Q. Did it in your opinion go beyond the lease?—A. It did not go beyond this:—'Any other alterations and additions that may be required by the said lessee shall be borne by the lessor and lessee each for one-half of the same.'

Q. But the elevators according to the evidence, were installed before the lease was executed? They were not alterations or additions required by the department. They had already been constructed.

Mr. CARVELL.—They might have been required by the department all the same. The building was put up on an agreement with the department that the department was to rent it and the department gave instructions as to what they wanted.

The CHAIRMAN.—Mr. Ewart says he reported on it when only the lower story was built.

Mr. SHARPE.—Surely you would not argue from that that the government would pay for one-half?

Mr. CARVELL.—That is our business to argue; it is not the business of this witness to argue.

Mr. SHARPE.—I think that is an absurd position to take. However I see that it is now one o'clock and I suppose the committee will adjourn.

The committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

TUESDAY, March 22, 1910.

The Select Standing Committee on Public Accounts met at 11 o'clock a.m., the chairman, Mr. Warburton, presiding, and proceeded to further consideration of the payment of \$73,614.12 to the Imperial Realty Company, and \$622.29, and \$5,383.26 to the city of Ottawa, in connection with Woods property, Queen and Slater streets, Ottawa, as set out at V-36, Report of the Auditor General for the year ending 31st March, 1909.

Mr. CARVELL.—In looking over the evidence of Mr. Fenson, I think there is an error in the transcript of the shorthand notes. It occurs in the evidence with respect



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to the elevators in the Carling building. The witness is made to say in the transcript of the notes that the elevators in that building cost only \$4,000 for a pair, or \$2,000 each. I am satisfied it was the other way around; that each elevator was to be \$4,000, that is for the machinery and the coach, and whatever also might be added to it would be extra expense.

Mr. SHARPE.—The other Mr. Fenson will be likely called before this investigation closes, so that the matter will be straightened out.

Mr. CARVELL.—I am satisfied that it is a mistake, and I would like to see it corrected.

Mr. SHARPE.—If the report is incorrect, the witness should be recalled.

Mr. CARVELL.—If you will not allow the minutes to be corrected, we will have to recall Mr. Fenson, and get him to show that the report is wrong.

The CHAIRMAN.—I think myself that it is an error. I don't see how elevators can be put in for \$2,000.

Mr. CARVELL.—I recollect the evidence very distinctly. The amount was \$4,000.

Mr. SHARPE.—That is my impression too, but I do not want to make that admission without being positive about it.

Mr. PAUL E. MARCHAND, called, sworn and examined:

*By Mr. Sharpe:*

Q. Mr. Marchand, you are in the electric business?—A. I am.

Q. You had part of the contract in reference to the Woods building?—A. Yes.

Q. Was it let by tender or by personal contract?—A. It was—well, which contract do you refer to?

Q. I refer to your electric wiring of the Woods building.—A. We have several contracts for wiring in that building.

Q. Were they written contracts?—A. They were—oh, there was a price given.

Q. Were they written contracts?—A. There was no regular contract, simply a proposition made, and then——

Q. Was there a written contract?—A. Not that I know of.

Q. Was there a contract in writing, were the terms in writing?—A. I can't exactly say that, because the way the work was done there was a proposition made.

Q. Was the proposition in writing?—A. In writing, yes.

Q. Have you those letters with you?—A. I have not.

Q. Why didn't you bring them with you? Did not your summons tell you to bring all papers in reference to this matter?—A. No, there was a pen struck through that.

Q. We may have to recall you, because, of course, we want the correspondence if you can produce it. Have you personal knowledge of the amounts of these contracts?—A. I could not recall them.

Q. Have you any books here?—A. Not here, I have nothing here.

Q. Then your evidence will not be much good to us. You can answer perhaps a few general questions, and we may require you to produce your books. Do you remember the contract in reference to part of the Woods building, the west half of the building?—A. The west, yes.

Q. This would be west, would it not? This is west (Indicating by a motion)?—A. Yes, I don't know of any contract.

Q. What were the terms?—A. It is pretty hard to—

Q. It is pretty hard to what?—A. It is pretty hard to remember. There were several things and alterations.

Q. Your books would show?—A. They would show some of it. And then there were differences again from that, and the way the work was done.

Q. Did you superintend the wiring?—A. I did.

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Q. On the west half of the building, what wiring was done?—A. Well, the wiring that was there had to be taken out altogether practically, and it—

Q. Was that wiring there when the building was originally put up?—A. Yes.

Q. Did you have that contract?—A. No, I did not have the first contract. That was given, I think, to O'Reilly and Murphy.

Q. Then you had to open the walls, and rewire the whole building?—A. Yes; we had to rewire half completely.

Q. You had to rewire that half completely?—A. Completely.

Q. And then you put in wires in order to serve the different offices?—A. Yes.

Q. And that was the whole half of that building, was it?—A. Yes.

Q. Well, that would be more work would it not than wiring half of the Canadian building, originally?—A. Than the complete wiring of the Canadian building?

Q. Than the complete wiring of the half of the Canadian building?—A. I do not think so.

Q. Still you had to open the walls again, and rewire it all anew, you said?—A. Yes.

Q. That would entail more work than the wiring originally?—A. Well, there was no opening of the walls there. That is a fire proof building, and everything had to be done.

Q. I understand you to say in answer to my question—

Mr. CARVELL.—You said it.

Mr. SHARPE.—And he confirmed it.

The CHAIRMAN.—I take a little different view in this examination from proceedings in a court of law. In these proceedings, I have been allowing considerably more latitude. Still, Mr. Sharpe, you should not put words in a witness' mouth.

Mr. SHARPE.—The witness is the contractor, and he can correct me if I am wrong.

The WITNESS.—We could not open the walls there because they could not be opened.

Mr. SHARPE.—You should have said that at first instead of confirming what I have stated.

Q. So that in rewiring the Woods building, you said it had to be rewired completely?—A. Yes.

Q. There would not be any more work than in wiring the Canadian building?—A. Well, I cannot compare the two buildings, because they were altogether different.

Q. Was there much more work in one than in the other?—A. Well, of course, the wiring would be in accordance with the size of the building. The Canadian building is a much larger building.

Q. The stories higher I think?—A. Yes, I think it is a larger building.

Q. Now, as a matter of fact, did you take down the wiring in the Woods' building, or did you just make the attachment for the offices?—A. We took it down, we had to.

Q. Why did you take it down? Why did not the main wires do?—A. The main wires were not powerful enough, were not large enough.

Q. So you had to rewire the whole building?—A. We had to practically.

Q. And your account for that part of the building was \$576?—A. I do not know where you get the figures. I can't say exactly what the figure was, I have not got that with me.

Q. These are the figures furnished to me by the government officers. Can you explain to me, if the electric wiring in the Woods' building only cost \$576, now your contract for one part of the Canadian building amounted to \$3,864?—A. I can't at this moment.

Q. Well, were there any rebates made to you?—A. Which?

Q. Was there any rebate made to Mr. Woods by you?—A. Not that I know of.

Q. You are the head of the firm, you would know if there were any, wouldn't you?—A. Oh, yes.

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Q. If there were any rebate made you would know it?—A. Certainly.

Q. Did you furnish any account or make any rebate to him in any shape or form, directly or indirectly?—A. No, I did not.

Q. Would you be good enough to produce the books and correspondence in connection with the contracts at the next meeting of this committee?—A. I will.

*By Mr. Carvell:*

Q. Did you do the wiring on both sides of the Canadian building, as well as the western side of the Woods' building?—A. Of the Canadian building.

Q. Yes?—A. I did.

Q. The whole thing?—A. Yes.

Q. Tell us, what had you to do in order to do that work properly?—A. We had to bring the lights to the places where they were required in each of the offices. The way the wires were put in before, they were simply placed in a regular way for a large open space, and we had to take that wiring down and rewire it in order to place the lights where they were required in each office.

Q. What was your mode of laying out the works?—A. The mode of laying out the work?

Q. Yes, give us a general plan of the work?—A. Of course the lights were laid out in the new offices something like they are in this room, for instance.

Q. I know, but did you have the current all over the building from one outlet or did you have several outlets?—A. We had two sets of mains, one for each side of the building.

Q. They would run perpendicularly on each of the walls?—A. Yes, from the basement up.

Q. And what did you have from that?—A. Lateral mains running lengthwise, one set in each floor along the halls.

Q. You say you put two sets of mains perpendicularly, would that require two sets of mains on each floor or one set of mains on each floor?—A. We have what I call the mains, the principal wires, the wires come in from the basement, then they run up in the centre of the building one set for each side, running right through to the top floor.

Q. That is all right to get your main, but what about the sub mains?—A. The sub mains, well, there are two sub mains from the centre running each way, one to the front and the other one to the back of the building on each floor at each side, that is four on each floor.

Q. That is what I was coming 'at, there would be two sub mains on each floor?—A. On each side.

Q. One would be a continuation of the other, it would be as if you had two sub mains running from one end of the building to the other on each floor.—A. Yes.

Q. Then you branch off from that to the different rooms.—A. To the different rooms

Q. Now there is an account here for \$3,864 for wiring Canadian building, and it appears as though it was on the first lease, but that lease is only for one half the building. I might say there is no account furnished in connection with the electric wiring for the second half of the Canadian building; did you do the wiring on both sides of the Canadian building?—A. I did it, yes.

Q. And you got your pay for it?—A. Yes.

Q. Now, do you know whether the account of \$3,864 includes the wiring on both sides of the Canadian building or only the one side of it?—A. I could not say that without looking it up.

Q. You can get that information, can you?—A. Yes.

Q. I would like you to get it.



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*By Mr. Sharpe:*

Q. Did you do the electric wiring while the building was in process of erection or after it was completed?—A. We did some of it, we had to follow the building.

Q. And that would be necessary no matter to what purposes the building would be put?—A. The first installation?

Q. Yes?—A. I suppose it would.

Q. Then the attachments for the several offices were mere minor matters, weren't they, of minor expense?—A. That was really the hardest part of the work.

Q. It was the hardest part of the work, but it would not be the most expensive part, would it?—A. It would, because this drilling had to be done in the ceiling, it was a cement ceiling.

Q. Can you give us, when you come the next time a statement as to the relative cost of the main wiring and the several attachments?—A. I can.

Q. You will give us that information?—A. I will.

Witness retired.

Mr. D. M. FINNIE, called, sworn and examined:

*By Mr. Sharpe (Ontario):*

Q. You are the manager of the Bank of Ottawa?—A. Yes.

Q. You appear as a stockholder or a shareholder of the Imperial Realty Company?—A. Yes, that is right.

Q. I understand that the Imperial Realty Company on October 20, 1906, purchased from Mr. J. W. Woods these buildings that are rented by the government?—A. Yes, that is right.

Q. For \$1,000,000 in stock?—A. Well, it depends on the date, there have been some buildings put up subsequently, so that they did not pay that figure in the beginning.

Q. That was what was in the deed, \$1,000,000 stock?—A. That will be right.

Q. That included the Woods building, the Canadian building and the Railway Commission building on Queen street?—A. That is right.

Q. Would it include any other building?—A. No; it may have included other land. I am not positive.

Q. Yes; a few vacant lots on the other side; so that the only assets of the Realty Company would be these lots and the buildings that are rented to the government, besides two or three vacant lots on the other side?—A. Yes.

Q. Were you one of the original incorporators?—A. I believe I was, yes.

Q. Had you in contemplation at the time you formed the Imperial Realty Company, the renting of the Canadian building to the government?—A. It was one of the possibilities, I think.

Q. Wasn't it one of the certainties?—A. Not to my knowledge. I could not say as to that; there was always a doubt about it until it was completed.

Q. But it was contemplated, it was in the minds of the incorporators to take over the Canadian building and to allow the government to take it at a certain rental?—A. Yes, it was contemplated; the government wanted it, and we were disposed to rent it to them.

Q. And the first lease that was made was dated the 13th of September, 1906?—A. Yes.

Q. And on October 20, 1906, Mr. Woods transferred all those interests to the Imperial Realty Company?—A. Yes.

Q. So that it was in contemplation before Mr. Woods transferred the property to the Imperial Realty Company that the government would take it over?

Mr. CARVELL.—It was in contemplation, but it was not a fact.

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*By Mr. Sharpe (Ontario):*

Q. Now, the fact is Mr. Woods, subsequent to the lease, transferred all his holdings to the Imperial Realty Company?—A. Yes.

Q. But before the lease was executed by Mr. Woods it was in contemplation by the Imperial Realty Company?—A. The contemplation was to take over Mr. Woods' position, whatever it might be.

Q. Letters patent were granted to the Imperial Realty Company on the 4th October, 1906. The original incorporators were D. M. Finnie, one share; J. W. Woods, one share; Glyn Osler, one share; Bennett Rosamond, ex-M.P., one share?—A. Yes, and Shirley Ogilvie?—A. Ogilvie, that is right.

Q. Then on the 20th day of November, 1908, supplementary letters patent were taken out reducing the capitalization?—A. Yes, I believe so. Yes, that is right.

Q. Now, why was it a matter of importance to the company that the supplementary letters patent should date back to the 20th November?—A. I don't know that there was any object in it.

Q. You don't know whether there was any object or not?—A. No.

Q. A certified copy of the minutes of the meeting whereby it was resolved to reduce the capitalization was filed with the Department of Public Works?—A. Yes.

Q. You will correct me if I am making any misstatement in connection with this matter, for I want to ask you a question or two about it. Now, the minutes read:

‘WEDNESDAY, Nov. 4th, 1908.

‘Present: James W. Woods, Bennett Rosamond, J. E. Cunningham, G. C. Edwards, John Gorman, Robert Gill, D. M. Finnie, W. L. Marler, Judge MacTavish, W. H. Rowley, Travers Lewis, Shirley Ogilvie and Ernest Linton. Sir Henry Pellatt and Glyn Osler were represented by their proxies. J. W. Woods representing in the aggregate 7,126 shares.’

Are there any other shares in the company outside of these that are mentioned there?—A. Oh, yes. There must be. I don't know who they are, but there are.

Q. You do not know who they are?—A. No.

Q. It is set out that they desire to issue bonds in lieu particularly of some of the preferred stock?—A. Yes.

Q. And it is set out who the preferred stockholders were. Mr. James W. Woods holds 550 preferred shares. It is set out that you hold 800 in trust?—A. Yes.

Q. Do you hold any in your own right?—A. Yes.

Q. How many shares?—A. Oh, I should think about—I am not sure whether it is 25 or 40. It is one or the other.

Q. Who owns the balance of the stock?—A. Well—

Objections raised by Mr. Carvell, to the question being put, unless the witness had no objection to answering. Mr. Carvell argued that there was no reason for probing the private affairs of the company in an investigation of this kind.

The CHAIRMAN.—I do not see any occasion for it, but, if the witness likes to answer, he may.

The WITNESS.—I was going to explain that I don't own the shares in any private capacity, but in an official capacity as bank manager, and I don't propose to answer unless I have to.

The CHAIRMAN.—It seems to me that, in a case of an incorporated company like this, you should not go into every detail in connection with the stockholders.

Mr. SHARPE contended that, unless the question were allowed, it would not be possible to discover whether or not somebody in the department was not interested in, and had promoted this work. Surely, they were entitled to know who was the beneficiary owner of these shares.

Mr. CARVELL.—Nine-tenths of the companies which are organized in Canada are companies in which the majority of stock is held by one or two people, and it is paid

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for by a transfer of property, real estate, I do not think my hon. friend has shown any reason why we should go into any individual's private affairs; if it were Mr. Finnie's private affairs I would not object, but he is brought here as an official of the bank, and is asked to divulge official secrets of his position as manager of the Bank of Ottawa.

The CHAIRMAN.—I might say that is the way it strikes me.

Mr. SHARPE.—Allow me to ask you a question, Mr. Carvell, if this trust stock is held for the benefit of somebody in the department am I not entitled to ask this question?

Mr. CARVELL.—If my learned friend will change his question to that form I have no objection to that.

Mr. SHARPE.—I might go farther than that and ask if it is held for some relative of somebody in the department.

Mr. CARVELL.—I have no objection to my learned friend getting down to the very bottom of the matter in so far as the officials of the department, or the minister, or any of their relatives are concerned. I do not think I am trying to stop the investigation, but I make this objection as a matter of principle. I have no objection to the witness being asked whether any officer of the department or any relative of any officer, or whether the minister or his friends are the beneficiary owners of this stock.

The CHAIRMAN.—I think Mr. Sharpe will have the right to inquire whether this stock was held by or for any one belonging to the department or any one connected with them, but I do not think he has any right to go into the affairs of private individuals outside of that.

*By Mr. Sharpe:*

Q. How long did you hold the stock in trust?—A. I cannot fix any date, it did not come to me in connection with my capacity as a member of the Imperial Realty Company, but it came to me in my capacity as manager of the Bank of Ottawa. If some individual came in and asked for a loan on that stock he would probably get it; they came in, not all at one time, but they came in individually.

Q. That is the way it came to you, on account of loans?—A. That is the only way.

Q. You collect the dividend and pay them the dividend, do you?—A. Yes.

Q. You hold it for different parties?—A. Oh, yes, quite a number.

Q. About how many different parties?—A. Well, I suppose seven or eight, at a guess.

Q. For seven or eight different parties?—A. Yes.

Q. Are they any of the original holders?—A. Yes, I think they are.

Q. Are they all original holders?—A. I am not positive about that, but those that are not original holders are a very very small proportion of them.

Q. Were stock certificates issued to you as trustee direct by the company?—A. As far as I know they were issued in the first place to the party getting the stock, and subsequently when they wanted to make a loan they were issued to us, that is they were hypothecated to myself and I had the transfer made.

*By the Chairman:*

Q. You hold them as security for the loans?—A. Only.

*By Mr. Sharpe:*

Q. Then, I will come back to that in a minute, what was the last transfer that was made to you?—A. I could not tell you, I would have to refer to the books.

Q. There are not many transfers, you have held them ever since November 20th, 1908.—A. I think they are nearly all paid up.



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Q. You still hold the certificates, don't you?—A. No, we hold a very few of them, the most of them are paid.

Q. Then you are not trustee?—A. Not at the present time.

Q. You are not then the trustee for 800 shares now?—A. Oh, no.

Q. Did the Trust Company pay Mr. Woods par value for the stock?—A. I think they paid more.

Q. You think they paid more?—A. I think so.

*By Mr. Carvell:*

Q. That will be the preferred stock, I suppose you are asking about, they did not pay more than \$1,000,000.—A. You see there was not a million dollars paid for it by anybody. The million dollars was not issued, that is the capitalization, but they did not get a million dollars in money for it.

*By Mr. Sharpe:*

Q. Mr. Woods got, according to the bargain and sale deed in the registry office there was a million dollars of stock given to Mr. Woods?—A. As a matter of fact, he did not get a million dollars in stock; I think the books will show he got much less than that.

Q. Then the Woods building which is owned by the company is rented for \$25,770.20 a year?—A. I think so.

Q. And the Canadian building is rented for \$42,536.90 and the Railway commission building for \$5,300?—A. Yes.

Q. So that in ten years the net returns over and above the taxes and other expenses would amount to \$736,141.—A. If there were no expenses.

Mr. CARVELL.—If the lease ran that long, you are assuming that?

Mr. SHARPE.—We are assuming that, yes. The one lease provides for ten years and the other provides for renewal after five years?—A. Yes.

*By Mr. Sharpe:*

Q. I suppose it was assumed that the government in its generosity will renew them?—A. If the government renew these leases they will probably have to pay a little more for them.

Q. The leases contain a condition for renewing for another five years.—A. That is an unfortunate thing for the Company, not for the government.

Q. Well, the net returns for ten years will be \$736,141.—A. Yes.

Q. And in thirty years it will be \$2,208,423?—A. Yes.

Q. Now the company after obtaining these most favourable leases from the government issued \$500,000 mortgage bonds?—A. Yes.

Q. To the Royal Trust Company?—A. That is right.

Q. And they are thirty year bonds?—A. I think so, yes.

Q. Drawing 6 per cent?—A. Yes.

Q. And the trust instrument provides for a sinking fund of \$8,500 a year?—A. Yes.

Q. So that in thirty years the sinking fund will provide practically for the mortgage bonds?—A. Yes.

Q. In thirty years the \$500,000 in bonds will be paid for and if the company continue to rent at the favourable terms the government is now paying the company will draw \$2,208,423.—A. Yes.

Q. Now you refuse to tell us for whom you hold the stock in trust?—A. Well, I could not tell you, I do not know at the present moment, and I do not think I would if I could unless I am compelled to, and then I would have to investigate the books of the Bank in order to give the information?

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The CHAIRMAN.—I would not allow the question to be asked; you say the stock you hold is held only as security to the loan?—A. There is no mystery in regard to the stock at all, it is only an ordinary bank transaction.

*By Mr. Sharpe:*

Q. How much stock was transferred for the buildings?—A. To whom?

Q. To Mr. Woods?—A. My recollection is it was \$800,000.

Q. But Mr. Woods makes a declaration here that it is desirable to reduce the capitalization to \$800,000?—A. Yes.

Q. So you must be mistaken. Was not the original transfer a million shares?—A. The original transfer, as far as I know, was not a million shares. The original capitalization was a million shares. Eight hundred thousand were issued, and at the time the bonds were issued there were still two hundred thousand in the treasury which were taken off.

*By Mr. Carvell:*

Q. The capitalization was reduced?—A. The capitalization was reduced by \$200,000, yes.

*By the Chairman:*

Q. That was of the undisposed stock?—A. Of the undisposed stock, yes.

*By Mr. Sharpe:*

Q. Do you know how much stock these other gentlemen own?—A. I don't know.

Q. Bennett Rosamond and Judge MacTavish?—A. I don't know.

Q. Do you know any person who was interested in this stock which you held in trust, or the owner of any other trust stock, or any stock at all; do you know any person directly or indirectly connected with the department, who owns stock?—A. Nobody.

Q. You don't know of anybody?—A. I don't know of anybody that is connected with the department.

Q. They may be connected without your knowledge?—A. I think it is very unlikely from my recollection of the names.

Q. Who would negotiate the loans?—A. Mr. Woods. He would have the fixing of all the agreements and contracts.—A. Quite so.

Q. You would not know anything about them?—A. No.

Q. What understanding did you have?—A. None.

Witness discharged.

Mr. ERNEST LINTON, called, sworn and examined:

*By Mr. Sharpe:*

Q. You are the Secretry-Treasurer of the Imperial Realty Company?—A. I am.

Q. You have been connected with the company ever since its inauguration?—A. I have.

Q. And you were the Secretary-Treasurer of Woods, Limited before that?—A. The treasurer.

Q. The government has a contract for the heating of the Wood's and Canadian buildings with you, I believe?—A. Yes.

Q. You have the one heating system heating both buildings?—A. Yes, I have not gone into that very closely, Major.

Q. But you could tell us in a general way. You have three men employed in the heating of the buildings?—A. We have, yes.

Q. The foreman receives \$900 a year?—A. Well, Major, in my—I have no objections to answering questions about the heating, but I don't think I was asked to bring up any papers in reference to the heating.

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Q. It was in connection with all the expenses, these whole accounts?—A. Yes.

Mr. CARVELL raised the objection that the committee were not investigating anything connected with the heating of these buildings.

Mr. SHARPE.—We have gone so far, and I should think we should close the matter up, seeing we have the Secretary-Treasurer here.

The CHAIRMAN.—It is not before the committee, and we have gone over it pretty fully already, I think.

Mr. SHARPE.—I think I am entitled to go into the question of heating, and see whether it does not bear upon the question of rent.

The CHAIRMAN.—What is your question?

Mr. SHARPE.—I want to know the wages he is paying to the three men employed. I know pretty well. The foreman is getting \$900, and the two subordinates are getting from \$45 to \$50. Is that right?

The CHAIRMAN.—You can answer that question, witness?—A. It is correct.

*By Mr. Sharpe:*

Q. How much is it, \$45—A. \$50.

The CHAIRMAN.—That is what we had before.

Mr. SHARPE.—Then I want to know the quantity of coal you burn, and the price you pay for it?

The CHAIRMAN.—You can answer that.

The WITNESS.—We burn from eleven to twelve hundred, perhaps fourteen hundred tons per year.

*By Mr. Sharpe:*

Q. The foreman said eleven to twelve hundred.—A. It varies.

The CHAIRMAN.—This witness would know probably better than the foreman.

Mr. SHARPE.—If he does not know any more than to state from eleven to twelve to fourteen hundred, he does not know anything accurately about it. I want to know what he is swearing to. Are you swearing to fourteen hundred?—A. No, I am not swearing to fourteen hundred. I am satisfied we burn eleven to twelve hundred.

Q. Your books would show you beyond peradventure the exact quantity, would they not?—A. No.

Q. You pay for the coal, and the entry goes through your books?—A. The vouchers would probably show.

Q. There is a means of ascertaining it?—A. Oh, certainly.

Q. And it is all soft coal, run of mine and slack?—A. No.

Q. And lump?

*By Mr. Carvell:*

Q. What did you say to that?—A. No.

*By Mr. Sharpe:*

Q. Tell us the quantities?—A. It is very difficult to say that, Major.

*By Mr. Carvell:*

Q. The witness has not been subpoenaed here to give evidence on that at all.—A. I haven't gone into that.

Mr. CARVELL.—The witness is asked to give evidence on something he has not investigated at all.

*By Mr. Sharpe:*

Q. You knew Mr. Berry was subpoenaed here for that purpose?—A. I did.

Q. And you know what his evidence was on?—A. I understood it was satisfactory. I thought you were satisfied with him.



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Q. It was not completed because we did not know the amount you paid for the coal.—A. I did not understand that.

Q. It is soft coal you use?—A. Some hard coal.

Q. But the bulk of the heating is done with soft coal?—A. It is.

Q. What is the average price of that coal?—A. I would think about \$5.25.

Q. It would average about \$5.25?—A. Yes.

Q. How many months in the year are the two subordinate men employed, six or eight months?—A. No, about eight months, nine months sometimes.

Q. Now, are there any other expenses that you are put to in connection with the heating of the building?—A. Yes.

Q. What are they?—A. Repairs.

Q. What would they average? Your books would all show this accurately, and if necessary we will have to have the books, but can you tell us from your own knowledge?—A. Oh, I should say from \$300 to \$400.

Q. You think it is from \$300 to \$400, have you examined the items for the last three or four years?—A. No, I told you I haven't done so.

Q. What is the cheapest price of the coal you buy?—A. We buy slack.

Q. What is that worth?—A. That is worth—

Q. You buy that direct from the miners?—A. We buy it from all over.

Q. Don't you ship it in by boat?—A. Sometimes.

Q. From the United States?—A. We buy everything we can in Canada.

Q. What is the slack worth, laid down?—A. I should say it is worth about \$5.

Q. For slack?—A. Laid down.

Q. It costs you that laid down?

Mr. CARVELL.—Laid down in the building?—A. Certainly.

Q. That is what you have to pay for it?—A. Yes.

*By Mr. Sharpe:*

Q. Have you any other information to give us in reference to the heating?—A. Well, I don't know what you want to know.

Q. I am through as far as the heating is concerned, unless you have more information to give us—now in regard to the electric lighting, you have a contract with the government to light the building?

Mr. CARVELL.—That is something this committee has never gone into yet, and I tell my hon. friend frankly, I have not seen the papers; I do not know anything about it, and I object to this evidence being given at this meeting of the committee. If my hon. friend wishes to go into this matter, there is no objection whatever to getting the papers before the committee in the proper form, and then he can investigate to his heart's content; but I feel that my hon. friend ought not to go on and investigate something that is not before the committee, the papers in connection with which no member has had an opportunity of perusing.

The CHAIRMAN.—If the papers are not before the committee, I do not think we should go on.

*By Mr. Sharpe:*

Q. You have a contract with the government to light the building?

The WITNESS.—Have I to answer that question?

The CHAIRMAN.—Yes, you can answer that question.—A. We have, yes.

Q. The government pays you the amount of the lighting?—A. We get paid for it, yes.

Q. Do they pay more than you pay the electric light company?

The CHAIRMAN.—Now, then, I do not think you can go into that.

Mr. SHARPE.—If the witness hasn't any objection, I don't see any reason why you should prevent his answering.

The WITNESS.—I objected to the question in the first place.

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The CHAIRMAN.—I do not think that is a question you can call upon him to answer.

*By Mr. Sharpe:*

Q. The chief architect of the department, and one of the officers of the department producing papers here stated that the government pays the Woods Company, that is the Imperial Realty Company, for the lighting, and that all they pay is the exact amount that the Imperial Realty Company pays the Electric Light Company. Is that correct, or is it not?

Mr. CARVELL.—Do not answer that question, witness, I object.

The CHAIRMAN.—You need not answer that.

Mr. CARVELL.—Get all the papers here, Mr. Sharpe, so that we can all have a chance to investigate it.

*By Mr. Sharpe:*

Q. It is a very easy matter, we do not want the papers here, if he will answer the question. Does the Electric Light Company allow any discount for cash payment of their bills?

Mr. CARVELL.—I object to that.

The CHAIRMAN.—All these questions are objectionable, I think, on the same lines. We have no papers here at all in connection with the matter. The fact is, I have allowed a most tremendous latitude in this investigation from the very beginning; I think it is right to allow considerable latitude, but it seems to me it has gone far enough now. Ever since I have been chairman I have allowed great latitude and I have done so purposely. The witness may answer if he likes, but I am not going to compel him.—A. I have not gone into these papers and I am not in a position to answer.

*By Mr. Sharpe:*

Q. Without going into the papers, do you know, in a general way, that the government is paying more than you have to pay for the lighting?—A. I am not in a position to answer that.

Q. Do you mean to say you are not in a position to answer it because you do not know, or because you haven't the books?—A. Because I haven't gone into it.

Q. You mean to say because you haven't the books and because you haven't examined the books you cannot answer. Don't you know, in a general way, that the government is paying more, without getting down to details?—A. Why is it necessary to answer that.

Q. Simply because the chairman said you could answer if you liked.

The CHAIRMAN.—You can answer if you like, I am not going to compel you to answer.

The WITNESS.—Well, I object.

Mr. SHARPE.—Then we can assume, of course, that the government is paying more?

The CHAIRMAN.—I should assume that the government is, because I do not suppose that these people are working for nothing.

Mr. SHARPE.—I desire now to move that the papers be laid on the table and that we take up the whole question together.

The CHAIRMAN.—Put your motion in the proper form, you can do so before we adjourn.

*By Mr. Sharpe:*

Q. Is there a contract or is it by letter?—A. I do not think there is any contract.

Q. I know there isn't a contract, it is either all a verbal arrangement or by letter.

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The CHAIRMAN.—We haven't any papers before us at all, I don't really know where we are.

*By Mr. Sharpe:*

Q. Now have you any memoranda or statement in your books showing when the various departments entered into possession of the buildings?—A. No, I haven't any.

Q. How many elevators are there in the Woods building?—A. Two.

Q. How many did the department pay half the cost of?—A. Well, I can't say that definitely, but I think one.

Q. How many elevators are there in the Canadian building?—A. Three.

Q. That is passenger elevators?—A. Two passenger. Three passenger now.

Q. Three passenger elevators?—A. Yes.

Q. One freight?—A. No, they are all passenger now.

Q. They are all passenger now?—A. Practically.

Q. And before the government entered into possession as tenants under their lease, how many were there?—A. I think there were three.

Q. They were all erected before the government entered into possession of the building?—A. Yes.

Q. Notwithstanding the fact that before the government entered into possession of the Canadian building under their lease, three elevators were erected in it, yet the government under the five years' lease turns round and pays half the expense of these three elevators. Is not that right?—A. Yes.

Q. What did the elevators in the Woods building cost?—A. I don't know.

Q. What did the elevators in the Canadian building cost?—A. I don't know.

Q. Your books will show?—A. No. Not the Imperial Realty books.

Q. Well, the Woods, Limited would show?—A. No.

Q. The James W. Woods would show?—A. That is Mr. Woods' private affair.

Q. You are his treasurer?—A. No.

Q. Haven't you a statement of the amount that was paid for these elevators?—A. No.

Q. In any of your books?—A. Except in the Imperial Realty books.

Q. You have one in the Imperial Realty book?—A. Yes.

Q. Have you got that book with you?—A. I have.

Q. Will you let us see it, please?—A. (Produces book.) What is it you want to see, Major?

Q. I want to see what you paid for the elevators?—A. I have no statement of that here.

Q. Where will that statement be?—A. I presume in Mr. Woods' books.

Q. You said there was a statement in the books of the Imperial Realty Company?—A. Oh, no. I misunderstood your question.

Q. Well, the Imperial Realty Company took over this building in 1906?—A. Yes.

Q. There were elevators put in since then?—A. I don't think so.

Q. Don't you think so?—A. I don't think so.

Q. And you don't know anything about the cost of the elevators?—A. I do not.

Q. Do you know that the steel structures in connection with the elevators were let as part of the contract with the elevator company?—A. I do not. I don't know.

Q. Have you a list of the stockholders in the Imperial Realty Company?—A. I sent for the book. I don't know whether I have it here. (Produces book.) Must I give these?

The CHAIRMAN.—If you have no objections, give them.

The WITNESS.—I can show Major Sharpe privately.



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*By Mr. Sharpe:*

Q. I beg your pardon?—A. Is it necessary to give these names? I have no objection to your seeing them privately.

Q. Where are the list of transfers?—A. I have not got the transfer book here. I did not know you wanted it.

Q. Gordon C. Edwards holds a hundred shares in trust. Do you know for whom he holds them?—A. I don't think he holds any in trust.

Q. He does according to the memorandum that was filed with the department when the company was applying for supplementary letters patent?—A. I think that must be a mistake, Major.

Q. D. M. Finnie is put down for 800 shares in trust and Gordon C. Edwards for 100 in trust?—A. I think that must be a mistake, because I do not know of his holding any in trust.

Q. You don't know who he holds them for, if he holds them in trust?—A. No. I don't think he does.

Q. Now, on March 29, 1906, there is an account rendered for window shades placed in the Canadian building for \$433.32. That was objected to for some time, and you had some difficulty in passing it. Do you remember that account?—A. Was that rendered by the Imperial Realty Company or by Woods, Limited? It was not rendered by the Imperial Realty Company.

Q. From J. S. Sheard, jr., an account from Woods for window shades. Are you not familiar with the business of Woods?—A. I am, but we have a great many transactions every day, and it would be almost impossible for me to—there might have been some misfit.

Q. Mr. Woods occupied the Canadian building first, did he not, before the government went into it?—A. No.

Q. The government were the first occupants?—A. The Woods, Limited, occupied a portion of it.

Q. What portion?—A. A portion of the east side.

Q. I am speaking of the Canadian building?—A. Yes; a portion of the east side.

Q. What portion?—A. Five or six floors; I just forget how many.

Q. You don't know when they vacated and the government took possession?—A. No, I do not.

Q. Is there anything in your books to show?—A. No, there is not. There is no memorandum, except that they paid the rent.

Q. Did the government pay the rent before the buildings were occupied?—A. No.

Q. Are you sure about that, because the evidence here is that they were paying rent before the buildings were actually occupied?—A. I don't think so; not that I know of.

Q. You don't know that? Now, there was some difficulty—

Mr. McKENZIE.—Surely there must be a contract showing when the government took possession of these buildings.

The CHAIRMAN.—There is a lease.

The WITNESS.—There is a lease.

Mr. McKENZIE.—The lease would be the best evidence.

Mr. SHARPE.—Not evidence as to when they took possession, but evidence as to when they were paying rent.

The CHAIRMAN.—Mr. Ewart undertook to get information on that.

Mr. McKENZIE.—If we sit here listening to evidence, it ought to be good evidence. This is not good evidence when the original contract can be put in.

Mr. SHARPE.—I have been trying to find out for three or four days when the government took possession.

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*By Mr. Sharpe:*

Q. Now, you had some difficulty about the electric fixtures between the department and Woods, Limited, or the Imperial Realty Company, one or other.—A. I do not recollect any, I do not know what it was.

Q. Do you attend to the correspondence?—A. Yes, Mr. Woods does or I do.

Q. Mr. Woods is in England now, and not available as a witness?—A. Yes.

Q. Tell us, while it is in our mind, why the two leases of the Woods building that were dated on the same day were not put in the one lease?—A. I can't answer that, I suppose—

Q. Don't you really know, you are a man on the inside.—A. I really don't.

Q. Tell us the reason why the two leases dated the 30th of August, 1905, the one covering one part of the building and the other covering another part of the building were not included in one.—A. Is there any objection to that.

Q. I can't see the sense of it.—A. Don't you think the department could tell you?

Q. The west half, for instance, of the building except the top floors for five years, and it may be renewed for five years, and starts on the first of November, 1905, that is dated the 30th of August, 1905, and the next is dated the same day, the 30th of August, 1905, for the top floor east and west for eight years from the 1st of November, 1905.—A. I can tell you, Major, it has reference to the Militia Department lease which runs for ten years. The Militia Department, I understand occupy those floors and it is to run concurrent with that lease.

Q. Why wouldn't both leases for the same building run concurrently?—A. They haven't any reference to the same building.

Q. No, but they have reference to the same department?—A. But not for the same term of years.

Mr. MACKENZIE.—They were dealing with two departments, I suppose?

Mr. SHARPE.—No, the leases were made with the Public Works Department.—A. It may have been more convenient for the Public Works Department.

Mr. CARVELL.—One thing you will observe is that the second lease No. 5695, terminates on the same day as does the Militia Department lease, that is the ten year lease, and that portion must be the portion occupied by the Militia Department, because it was made to terminate at the same time as the main Militia Department lease.—A. That is what I understand, Mr. Carvell.

Q. That is the answer, it terminates in November, 1913?—A. That is right.

*By Mr. Blain:*

Q. How could it be a convenience to the Department of Public Works?—A. I do not understand how they run their Public Works Department.

Mr. MACKENZIE.—Are there two leases.

Mr. CARVELL.—That is the explanation, there are two.

*By Mr. Sharpe:*

Q. Now all the fixtures were put in by Woods, Limited, or by the Imperial Realty Company, the electric fixtures?—A. I think so.

Q. And you got the fixtures free of duty?—A. I do not recollect that, whether we did or not.

*By Mr. Carvell:*

Q. Do not the government own the fixtures?—A. They do.

*By Mr. Sharpe:*

Q. You did not, as a matter of fact, pay any duty on any wiring or electric fixtures?—A. I cannot tell you, Major, because I do not know.

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Q. What do you mean by this letter? (reads):

‘IMPERIAL REALTY COMPANY, LIMITED,

OTTAWA, February 6, 1908.

D. EWART, Esq.,

Chief Architect,

Dept. of Public Works.

DEAR SIR,—Owing to the writer's illness and absence from the office for three weeks, your favour of the 20th ult. has not been answered.

In *re* electric fixtures, we think you are in error when you say each pay half, on the contrary you paid for all these fixtures, and they are the property of the government, and not ours, hence your justification in passing them free of duty. We would be prepared to meet you in regard to the duty, and, if you will allow us \$1.50 on each fixture, this will enable us to deliver them to you without any loss. The duty, as you are aware, is thirty per cent. We are,

Yours very truly,

IMPERIAL REALTY CO., LTD.,

(Sgd.) JAMES W. WOODS,

*President.*

A. Did I write that letter?

Q. No, James W. Woods did, as president.—A. Well, Mr. Woods——

Q. You cannot explain what you meant by:

‘We would be prepared to meet you in regard to the duty, and, if you will allow us \$1.50 on each fixture, this will enable us to deliver them to you without any loss.’

A. I cannot. Mr. Woods handled that.

Mr. MACKENZIE.—That is evidently one of a series of letters. The committee cannot understand the matter without having all the correspondence before them.

Mr. SHARPE.—I suppose Mr. Linton could be ordered to return at the next meeting.

The CHAIRMAN.—Mr. Linton can come back whenever you need him.

Mr. SHARPE.—I want him in connection with the heating and lighting. I have already made a motion for the papers.

Mr. CARVELL.—There will be no objection on my part to affording ample time for the production of all the papers. Mr. Linton can be brought here again, and these papers gone into. I did not want to enter upon them to-day, without having had a chance to see the papers. They are not here yet, and I have had no opportunity of seeing them.

The CHAIRMAN.—I think you are right in regard to that.

Mr. SHARPE.—You understand, Mr. Linton, what I want. I desire to have the cost of the electric lighting and what you were paying the Ottawa Electric Company. I also want a statement of the amount of coal, the quantities and prices, and the amount you were paying the men, and likewise your repair account book for the past three or four years.

*By Mr. Carvell:*

Q. Mr. Linton, when was this property transferred to the Imperial Realty Company?—A. October, 1906.

Q. At that time were the bonds issued?—A. No.

Q. For half a million?—A. No.

Q. When were they issued?—A. They were issued last January—January, 1909.

Q. That would be nearly a year and a half ago?—A. Yes.



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Q. Who was the trustee under the mortgage?—A. The Royal Trust Company.

Q. Do they take any means to find out the value of the properties?—A. They made a valuation.

Q. Who were the valuers?—A. Mr. Abraham Pratt and Mr. James Mather.

Q. Who is Mr. Abraham Pratt?—A. He is the Royal Trust Company's valuator.

Q. Where does he live?—A. He lives in Ottawa.

Q. And who is the other gentleman?—A. James Mather, architect, of Ottawa.

Q. Have you a statement of their appraisalment?—A. I have.

Q. I would like you to produce it.

Mr. SHARPE.—These gentlemen live in Ottawa, and surely they can be called. This is secondary evidence.

Mr. CARVELL.—Perhaps I may ask a few more questions to lay a foundation. My friend can object later on.

*By Mr. Carvell:*

Q. Was this statement furnished both to the Imperial Realty Company and to the Royal Trust Company?—A. It was.

Q. Was it furnished before the mortgage and bonds were issued?—A. It was. It was necessary.

Q. It was necessary?—A. It was necessary.

Q. And at whose instigation was the appraisalment made?—A. The Royal Trust Company.

Q. Who underwrote the bonds?—A. The Royal Trust Company.

Q. And what was the amount of the bonds issued?—A. Four hundred thousand were issued in the first place. Subsequently a hundred thousand were issued for the erection of the Roxborough building.

*By Mr. Sharpe:*

Q. Is that the new apartment house?—A. It is.

*By Mr. Carvell:*

Q. Then, as to these two buildings under discussion, the Woods building and the Canadian building, \$400,000 were issued and underwritten by the Royal Trust Company?—A. Yes.

Q. And before doing the underwriting, this appraisalment was made by them?—A. Yes, it was.

Q. Was that submitted to your company?—A. After it had been made, yes.

Q. And accepted by your company?—A. Accepted, yes.

Q. Now, is it a part of the records of your company?—A. Yes, it is.

Q. Have you there a copy or an original?—A. I have an original here (producing document).

Mr. CARVELL.—I would like, Mr. Chairman, to offer this in evidence.

The CHAIRMAN.—I think you could put that in.

Mr. CARVELL.—I think so. My friend could bring these gentlemen here if he wishes.

Mr. SHARPE.—You should have brought them. This evidence would not be admitted in any court.

The CHAIRMAN.—I have admitted a good deal of evidence that would not be allowed in any court. I have given a lot of latitude. I think it would expedite matters to put this document in.

The WITNESS.—This is addressed to Mr. J. J. Gormully, barrister, who is solicitor to the Royal Trust Company.

Q. That is Mr. Gormully of Ottawa?—A. Yes. (Reads):

## APPENDIX No. 2

OTTAWA, December 17, 1908.

J. J. GORMALLY, Esq.,  
Barrister, &c.,  
33 Sparks St.,  
Ottawa.

DEAR SIR,—Re Imperial Realty Company. Herewith you will find report as requested, on the value of the properties on schedule A belonging to the above company, being parcels numbers 1, 2, 3, 4, and 5.

Parcel number 1 being composed of the easterly thirty-three feet from front to rear of town lot number 25 on the south side of Queen street numbering eastward towards the Rideau canal—size of land 33 feet in front by 99 in depth. On this land is a substantial fireproof building 33 feet by 84 feet, 5 stories high, stone front, steel and concrete construction, occupied by Canadian government.

Value of land.. . . .	\$20,000 00
“ “ building.. . . .	48,975 00
	<hr/>
	\$68,975 00

Parcel number 2—being composed of town lot No. 62 and the whole easterly portion of town in lot No. 61 on the south side of Slater street—size 99 by 157 feet more or less. On this land there is erected a first-class fireproof building, 70 feet by 157 feet, 7 stories high, built of Indiana sandstone, brick walls with steel and concrete construction and terra-cotta partitions, occupied by Canadian government. This building is known as the ‘Woods Building.’

Value of land.. . . .	\$23,314 00
“ “ building.. . . .	265,036 00
	<hr/>
	\$288,350 00

Parcel number 3—being composed of lot 63 and broken lot 64 on the south side of Slater street and also being composed of the northerly portion of lot 63 and 64 on the north side of Laurier avenue (formerly Maria street) size about 121 feet in front and 220 feet in depth—superficial area 27,530 square feet. On this property is a building 8 stories high and of the same construction as the Woods building. It is known as the ‘Canadian Building,’ and occupied by the Canadian government.

Value of land.. . . .	\$41,295 00
“ “ building.. . . .	392,575 00
	<hr/>
	\$433,870 00

Parcel number 4—being composed of the southerly part of lot 64 on the north side of Laurier avenue (formerly Maria street) size 66 feet in front by 99 feet in depth. On this property is erected two semi-detached brick dwellings 2½ stories.

Value of land.. . . .	\$9,800 00
“ “ building.. . . .	3,500 00
	<hr/>
	\$13,300 00

Parcel number 5—being composed of lot 62 and the east half of lot 61 on the north side of Laurier avenue (formerly Maria street) size of land is 99 feet in front by 158 feet in depth and has no improvements thereon.

Value of land.. . . .	\$23,565 00
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*Summary.*

Parcel No. 1—Queen street.. . . .	\$68,975 00
“ No. 2—Woods building.. . . .	288,350 00
“ No. 3—Canadian building.. . . .	433,870 00
“ No. 4—Nos.87 and 89 Laurier avenue.. . . .	13,300 00
“ No. 5—Lot 62 and east half 61 Laurier avenue.. . . .	23,565 00
	<hr/>
	\$828,060 00

We, the undersigned have carefully examined the several properties named in the above report and are of the opinion that the values set opposite each property is a fair cash value thereof and that the total value of the five parcels of land is \$828,060.00.

(Sgd.) A. PRATT, *Valuator.*

(Sgd.) JAS. MATHER, *Valuator.*

*P.S.*—Inclosed is schedule A, referred to in report.

*By Mr. Carvell:*

Q. Can you tell me what is the total valuation there placed upon the three properties under lease to the government?—A. About \$792,000, I think it is, Mr. Carvell.

Q. \$791,195, I make it?—A. Yes, that is right.

Q. Now, what rental is the government paying on that amount of property?—A. What percentage do you mean?

Q. No, rental, the total rental?—A. The total rental they are paying is on the Canadian building \$42,206, I think it is, on the Woods building \$25,777, and on the Queen street building \$5,300.

Q. Can you total them up for me?—A. Yes, about \$73,000.

Q. \$73,000 practically?—A. Practically that.

Q. Then as a matter of percentage that is how much?—A. Under 10 per cent.

Q. Now add to that, if you will, the cost of heating, and see what you have, and you get \$81,800.—A. A little over 10 per cent.

Q. That makes some \$81,000, which is only a little over—A. 10 per cent.

Q. That is a total income to the company for those three rentals, including the heating of the buildings, is a fraction over 10 per cent?—A. That is right.

*By Mr. Blain:*

Q. How long after the leases was this valuation made?—A. Well the date of this valuation is December, 1908, the leases have various dates, Mr. Blain.

Q. What is the date of the first lease?

Mr. CARVELL.—The first is the 17th October, 1903, for ten years, the next is the 30th August, 1905, for five years, and the next, 30th August, 1905, for eight years; then for the Canadian building on the 13th of September, 1906, and the 16th of April, 1908.

*By Mr. Carvell:*

Q. Now, how much is the government paying per square foot for the floor space in the Woods building? You might pardon me a moment, I ask that question because there seems to be a slight misunderstanding in some parts of the papers with regard to it; it is placed at 38 cents per foot in some papers, and in others at 36 cents per foot.—A. 36 cents it is.

Q. That is the proper amount?—A. Yes.

Q. And what are they paying for the Canadian Building?—A. 41 cents.

Q. Has this same company any other property in the city of Ottawa?—A. We have.



## APPENDIX No. 2

Q. What is it?—A. We have two houses at 87 and 89 Laurier avenue, and we have the Roxborough apartment house in the course of construction.

Q. Are you renting the houses on Laurier avenue?—A. We are, yes.

Q. For what purpose are they being rented?—A. They are small houses, and they are rented just temporarily; we intend to erect a building there.

Q. Are they rented as dwellings?—A. As dwellings.

Q. Oh, well, we will not bother about that. Take the Roxborough building?—A. Yes.

Q. Have you leased any of these apartments? Do you lease them by the square foot area, or by the apartment separately?—A. It is based on the square foot area, although we lease it by the apartment.

Q. Take now any apartments that you have leased there, will you tell me what they generally run at?—A. It runs according to locality, from 75 cents to \$1.08 per square foot.

Q. Would that include the halls?—A. One-third of the hall.

Q. Why do you take one-third of the halls?—A. Well, we think it is fair to do that, because the hallway leads into three apartments.

Q. Then you took the square surface of the floor space of the apartments, and one-third of the hall leading to it?—A. That is right.

Q. Have you rented many of the apartments at that rate?—A. We have rented from twenty to twenty-five.

Q. Running from 75 cents to \$1.08 per square foot?—A. That is right.

Q. And what are the conditions, lighted and heated?—A. Not lighted.

Q. Just heated?—A. Just heated.

Q. They are wired, and the electric light fixtures are furnished?—A. Oh, certainly.

*By Mr. Sharpe:*

Q. That is put in by the company?—A. Yes.

Q. Most of these tenants only rent for a part of the year?—A. We would like to have you rent for a part of the year.

Mr. SHARPE.—Not at that price.

*By Mr. Blain:*

Q. What did you say you proposed to do with the houses on Laurier avenue?—A. We have not decided yet. We may build, we may improve them; we do not know what we are going to do with them yet.

Q. Have you a lease in prospect?—A. Not that I know of.

*By Mr. Carvell:*

Q. Do you know of any other buildings in the city of Ottawa that are rented by the area?—A. I have heard of them. I don't know definitely.

Q. You don't know anything of your own knowledge?—A. Not of my own knowledge, no.

Q. Are all the rooms in both those buildings now occupied?—A. They are.

Q. Are any of the hall spaces occupied?—A. Most of the hall spaces in the Canadian building are occupied.

Q. For what purpose?—A. Post office, filing cabinets, and various things like that.

Q. So that not only are the rooms occupied, but the hall spaces, as well?—A. That is right.

*By Mr. Sharpe:*

Q. Are the cellars all occupied?—A. They are.

Q. Have you been down to see them?—A. I have.

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Q. Do you mean to say they are all occupied?—A. Have you been there?

Q. I have been to part of them?—A. They are all occupied.

Q. Do you mean to say they are all occupied?—A. They are.

Q. How are the cellars occupied, with offices or how?—A. I presume they are offices.

Q. Are they not just simply for throwing cases in and old books of reference and records?—A. Not that I know of.

Q. Have you been down lately?—A. I have.

Q. Are any persons occupying them as offices?—A. I presume they are, yes.

Q. Are they not just storing rooms?—A. What is the difference if they are storing rooms?

Q. I would not call a storing room an office?—A. Is a storing room not of any value?

Q. Are they paying the same rent for the cellar as for the first floor?—A. Is a storing room not of any value?

Q. Is a cellar as valuable as the first floor for offices?—A. I presume it is.

Q. Why do you presume it is? Because you are renting it, is that why you presume it is?—A. I think it is.

Q. Now, as a business man, you would not say that the cellar, where the furnace and the basement is, is as valuable as the first floor for offices?—A. Yes, I would.

Q. You would?—A. Because it is fire-proof.

Q. The whole building is fire-proof?—A. I know.

Q. You mean to say you think the same rent should be given for the cellar as for the first floor?—A. I do.

Mr. CARVELL.—I want to ask one more question. Because I am supposed to have the witness now.

Mr. SHARPE.—I thought you were through.

Mr. CARVELL.—I am finding no fault.

*By Mr. Carvell:*

Q. Now, Mr. Linton, would you be willing to lease the ground floor of either of these buildings at 36 or 41 cents per square foot, unless the other floors were taken also?—A. To-day?

Q. Yes?—A. No.

Q. When you arrived at that basis, you took the first floor in conjunction with the basement and all the rest of the floors?—A. That is right.

Q. And that is the argument when you say the basement is as valuable as the ground floor?—A. Naturally, yes.

*By Mr. Sharpe:*

Q. But that is not the question I put. You did not answer that question to me. I said, taking that building as it stands, is the cellar part of it as valuable as the first floor for renting purposes, and you said it was. Now, do you still adhere to that answer?—A. It depends upon how many tenants you have. You are separating the floors.

Q. You said that the cellar for storing purposes was as valuable as the first floor for offices. Do you mean to tell that to the committee?—A. I think it is if it is all taken in—

Mr. CARVELL.—Let him finish his answer.

Mr. SHARPE.—Well, we will take your answer.

The WITNESS.—If it was all taken in as one and averaged up.

Q. I did not say anything about averaging?—A. That was my answer.

Q. Well, apart from averaging, do you think the cellar part of the building as valuable as the first flat?—A. Not if you are selling it separately, no.

## APPENDIX No. 2

Q. Now, speaking about apartments, and comparing apartments, your tenants are not there the year round?—A. Oh, yes, they are.

Q. All of them?—A. Not necessarily all of them.

Q. So you have to make allowance for all losses by reason of the apartments being vacant at certain seasons of the year?—A. All our tenants are good pay.

Q. They are very good tenants while they are there, but they are not there all the year round?—A. Well, we don't know.

Q. Yes, but how long are your leases for?—A. The leases might run from 7 months, 8 months, 10 months, or a year.

Q. But after that lease expires——A. We have a great many of them rented for a year.

Q. But after those leases expire it takes some time to get a new tenant?—A. Not necessarily, we have a waiting list, or will have a waiting list made.

Q. You do not mean to say that a landlord makes no allowances for losses by reason of a building not being rented. Not many apartments are rented now.—A. I answered that, about 25.

Q. And how many have you altogether?—A. About 60.

Q. Will you have it rented at so much per foot?—A. Not half of it is rented, it is not completed yet.

Q. I understood Mr. Carvell was there?—A. Not yet, he has been looking at it.

*By Mr. Carvell:*

Q. Are there any apartments there occupied yet?—A. No.

Q. As a matter of fact, you expect to have a large number of members of the House among your tenants?—A. Some of them we hope will be, yes.

*By Mr. Sharpe:*

Q. But the members do not lease their apartments for twelve months, those apartments will be vacant when they go away.—A. It does not necessarily follow that they will be vacant, as other people will go in directly they are vacated.

Q. You make no allowances for vacancies?—A. We have not so far.

*By Mr. Blain:*

Q. There are not many members lease their apartments for 12 months, are they?—A. Quite a few of them do.

Q. Are any of them doing it now?—A. Yes.

*By Mr. Sharpe:*

Q. These gentlemen who put in a valuation of your buildings, do you know how they arrived at that estimate?—A. I do not.

Q. Do you know whether they estimated it at so much for the land and buildings in a lump?—A. It is estimated there.

Q. I know it is separated land and building, but did they value by the cubic contents of the building?—A. That I cannot say, how they arrived at it I do not know.

Q. Did you tell them the amounts you were receiving in rents?—A. I don't think so, no.

Q. You would know whether you did or not?—A. Not to my recollection, I didn't.

Q. Did they inquire what you were renting the building for?—A. They may have known.

Q. Did they inquire whether they were occupied?—A. No, sir.

Q. Did they know that the three buildings were rented to the government for a yearly rental of \$73,614.10?—A. I don't know.



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Q. Did they know that in ten years the rentals of the building would pay for them even at their valuation?—A. I do not know.

Q. Did they know that the buildings had a life of about 150 years?—A. I don't know.

Q. You don't know that. Do you know that on their estimate the net rent equals a net income at the rate of 10 per cent on an investment of \$736,141?—A. I do not know whether they did or not.

Q. If these buildings actually cost for their original erection \$736,141, the company would be getting 10 per cent on that large investment?—A. They would, yes.

Q. And that at 5 per cent they would be getting interest on twice that amount?—A. I beg pardon.

Q. And at 5 per cent they would be getting interest on twice that investment, that is \$1,472,282?—A. I presume so.

Q. In other words, that if the buildings originally cost them \$1,472,282 they would be receiving a net income of 5 per cent on that investment. Do you know how much the buildings actually cost to erect?—A. No, I do not.

Q. As a matter of fact they did not cost \$300,000, the two buildings?—A. Do you think you could put them up for that price?

Q. I am not asking that, do you know?—A. I do not.

Q. Do you know what the steel cost?—A. No.

Q. Do you know that the contractor who had the contract of erecting the Canadian building, his contract was \$80,000 odd and the Woods building was \$60,000 odd, that is for all the stone and brick and concrete work?

Mr. MACKENZIE.—Are you giving evidence or is the witness?

*By Mr. Sharpe:*

Q. No, this is the evidence. I am asking him if he knew that, he is speaking about certain valuation?—A. I do not know.

Q. And the only additional expense in the erection of this building would be the floors supported by the steel beams and the partitions, the wiring and the painting, &c. As a matter of fact you have no personal knowledge as to the cost of these buildings? A. No.

Witness retired.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

WEDNESDAY, April 20, 1910.

The Select Standing Committee on Public Accounts met at 11 o'clock, the Chairman, Mr. Warburton, presiding.

The committee proceeded to the further consideration of payments for rents and taxes in connection with Woods properties on Queen and Slater streets, Ottawa, V—136, Report of the Auditor General for the year ending 31st March, 1909.

Mr. SHARPE.—Is Mr. Fensom here?

The CLERK.—No.

Mr. SHARPE.—Have you heard from him?

The CLERK.—No.

## APPENDIX No. 2

Mr. CARVELL.—Have you not received any communication from him? I was informed last night that Mr. Fensom was leaving New York to-day for Europe, that he had made his reservations over a month ago and had made all his arrangements and that it was not possible for him to break those arrangements.

At a subsequent stage of the proceedings the clerk informed the committee that he had just received the following telegram:—

TORONTO, ONT., April 20, 1910.

THOMAS H. HOWE,  
Clerk, Public Accounts Committee,  
Ottawa.

Regret Mr. Fensom was obliged to leave for England last night, his passage was booked and all arrangements made some weeks ago, but on receipt of your telegram he endeavoured to cancel his appointment but at last moment found he was unable to do so.

OTIS FENSOM ELEV. CO.

Mr. SHARPE.—Is Mr. Edwards or Mr. Linton present?  
The CLERK.—No.

Mr. DAVID EWART, chief architect, Public Works Department, recalled:

*By Mr. Sharpe:*

Q. You were to procure some original vouchers?—A. No, I was to give you, as far as I remember, I took note of it, the dates the various parts of the buildings were occupied, and I have it here all marked on the plans.

Q. On page 42 of the evidence you were asked:

Q. If you paid the half of this where are the various items, you are entitled to those vouchers if the department paid one half?—A. Well, we will have to get them.

A. Well, I haven't charge of those.

Q. Has the department possession of the original vouchers in respect to the capital expenditure on those buildings?—A. No, I believe not; I believe we got them from the auditors.

Q. Would those original vouchers be in the possession of the auditor?—A. Yes, I believe they would.

Q. The original vouchers showing the items of the statement furnished by Mr. Woods?—A. If you notice the accounts, I have an account which I got from the accountant, there is one of them, for instance:—

Q. These are simply the totals of the amount furnished by Mr. Woods, where are the items of those various accounts?—A. 'As per vouchers attached.' now those vouchers are sent to the Auditor General.

Q. And Mr. Fraser is the Auditor General, is he?—A. Yes.

Q. He is the one who will have those vouchers?—A. He is the one who will have those vouchers.

Q. Taking the lease. No. 6082, and the west half of the two top floors of the Canadian building?—A. Yes.

Q. There are seven stories in the Canadian building?—A. Yes. (Plans produced.) That is the department that occupies that space there, and that is the date, as far as we can learn, that they took possession (pointing to plan).

Q. What flat is this?—A. The seventh floor.

Q. That is the top floor?—A. Of the Canadian building.

Q. Which side of the building?—A. Both sides.

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Q. That is the plan of the seventh floor, both sides?—A. Yes.

Q. And they took possession when?—A. They took possession of that part at that date, and they took possession of this part on this date, (indicating on plan).

Q. Let us get it consecutively now, starting with the first lease and taking the bottom floor.—A. Well, then, that will be the Militia building.

Q. No, that is the Canadian building.—A. Well, here is the Canadian building (pointing to plan).

Q. Now then, take the 6082 lease and take the basement of the west half?—A. Yes.

Q. When did they take possession?—A. May, 1906.

Q. Is that the first floor, or is it the cellar?—A. This is the cellar, the basement.

Q. And they took possession, did they?—A. That is my information, they had possession at that date.

Q. From whom did you get that information?—A. I got this information from the various departments.

Q. When?—A. Since you told me to get it.

Q. Who did you inquire about this from in the Agricultural Department?—A. Generally we inquired of the Department—

Q. I don't want to know what you did generally, but I want to know what you did in this particular instance?—A. I couldn't say.

Q. I want to see what your source of information is.—A. I can tell you what I did in some of them, but I can't say with regard to that one; I went to the deputy minister of the Customs and he telephoned down to the officers in the building.

Q. Haven't you any letters, memorandum or anything to show where you got the information, or to show the source of the information, isn't it on record?—A. I could get it, but I thought you just wanted the date.

Q. I could have got that information as well as you, but I wanted some way to verify it, I want something more definite than just the month.

Mr. CARVELL.—I think you should be fair to this witness, you asked him to produce the information and he has done so.

A. You said to me that I might telephone for it, and that is what I did.

Mr. CARVELL.—The witness has marked on these plans the detailed information for every room in the building and he is giving it to you.

*By Mr. Sharpe:*

Q. The last day the witness was here he said he had a memorandum book in which he kept it all noted?—A. No, I said we had a memorandum of so much of it.

Q. Have you that memorandum here?—A. No, I have not.

The CHAIRMAN.—What the witness was asked to do was to bring the dates on which the different portions of the building were occupied, and he is giving it to you.

*By Mr. Sharpe:*

Q. From who did you get that information?—A. I got the information from the different departments.

Q. You can't tell us the individuals from whom you got it in each case?—A. Not in each case, in some of them I can.

Q. How long is it since you inquired about it?—A. Since you asked me to get it.

Q. How long would that be, a week, a month, or how long?—A. The second or third day after I was here.



## APPENDIX No. 2

Q. That is not long ago and you say you can't tell us from whom you got that information?—A. No.

Q. For the source of that information?—A. I could not tell you from memory, every one.

Q. You say the basement was taken possession of when?—A. In May, 1906.

Q. What date in May?—A. Oh, I couldn't tell you.

Q. Was it the 1st of May or the 30th of May?—A. I say I can't tell you, that is a thing I don't know, I can't say any more than that.

Q. Isn't there some person in the different departments that could give us that information?—A. I don't know whether there are such persons or not.

Q. Has the department no information as to when they do take possession of a rented building?—A. They have information when they rent the building, and they inform the department when the building is ready to go in, but they do not immediately go in at that particular time.

Q. Don't they know when they do go in?—A. I don't know that they do.

Q. Haven't you a memorandum or a book showing when they actually take possession of a building?—A. I do not know that they have, because you notify the department that the building is ready for occupation.

Q. Is that the date when they were notified that you have there?—A. No, I do not know.

The CHAIRMAN.—Would it not be better to let the witness go on and explain what he wants to say?

*By Mr. Sharpe:*

Q. Is this the date when they took possession or the date they were notified that the building was ready for occupation?—A. That is the date, as far as I know, that they took possession.

Q. Where did you get that information?—A. I told you before that I got it from the different departments.

Q. You didn't get this information from the different departments, there is only one department you would ask for this particular information?—A. We asked all the different departments when they took possession.

Q. I know, but with reference to this particular information regarding this part of the building that we are speaking about, with regard to the occupation of the basement?—A. I say that I got it from the Agricultural Department.

Q. And from whom in the Agricultural Department did you get it?—A. Well, I told you before that I couldn't tell you that, you are coming back to the same ground again.

Q. Who would you likely inquire from there?—A. There are different individuals to inquire from, the secretary—

Q. But who did you inquire from?—A. I can't say.

Q. Who would you likely inquire of?—A. I will give you an instance, in reference to the Customs Department—

Q. Never mind about the Customs Department, I am dealing with the Agricultural Department?—A. I can't answer that—

The CHAIRMAN.—The witness is giving the information which, if I remember rightly, he was asked to give, that is the dates on which these buildings were occupied; he wasn't asked, as far as my memory goes, to give the details. He appears to be giving the information he was asked to secure.

Mr. SHARPE.—No, excuse me, Mr. Chairman, he was asked to procure the definite dates when they took possession. There is nothing definite when he says: 'They took possession in May,' without stating whether it was the last week or the first week in May. Surely the committee is entitled to better information than that.

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Q. Does the Agricultural Department occupy the whole basement?—A. No, the Interior, the Immigration departments, are there.

Q. When did the Interior and Immigration Departments take possession?—A. Well, I can't answer any more definitely than what I am giving you there.

Q. You attempt to answer before you hear my whole question.—A. Well, all right.

Q. When did the Interior and the Immigration Departments take charge or possession of their parts of the basement?—A. March, 1908, that was on the second lease then.

Q. We are talking about the one lease now, the first, never mind mixing them up?—A. I don't want to mix them up, you were asking me about the basement and whether the Agricultural Department occupied the whole of it.

Q. There is only one lease under discussion now.—A. That was May, 1906.

Mr. CARVELL.—Which department is that?—A. The Interior Department.

*By Mr. Sharpe:*

Q. When were these dates put on these plans?—A. I got these plans made specially for this purpose and I had the dates put on the plans as I got each date from the department. That is since you asked me to get the information.

Q. These dates were put on since your last examination?—A. Yes, the dates were put on since my last examination.

Q. Who gave you the information about May, from the Immigration or the Interior Department?—A. We telephoned to most places——

Q. I am not asking about most places, but what you did with reference to the Interior and Immigration departments?—A. I can't tell you.

Q. You can't tell us now the person you telephoned to there for that information?—A. No.

Q. You can't tell us the source of your information?—A. No, I can't give you any more information.

*By the Chairman:*

Q. I understand you got your information from that particular department which occupied the premises?—A. From that particular department in each case.

*By Mr. Sharpe:*

Q. Did you telephone yourself or did you have one of your officials telephone?—A. In some cases I went myself and in others my assistants inquired.

Q. In what case did you go yourself?—A. I went to the Commissioner of Customs.

Q. Who is he?—A. Mr. McDougald.

Q. Did he tell you as to the Customs Department?—A. Yes.

Q. Did you go to any other official?—A. Yes, we got a letter from——

Q. No, did you go yourself?—A. Some one did, we had a letter anyway from the Militia Department stating the date at which they occupied their building.

Q. Wouldn't that be the proper way to get information from the different departments, writing to them and getting them to give you a letter?—A. What I understood you to say, you told me when I was here before yourself to telephone to the departments to find out when they occupied the building.

Q. I told you you could telephone, but I did not suggest that was the only way, I said that was one way of doing it; the proper way would be to have letters from each department.—A. There is no trouble in doing that, but I thought I was doing what you asked me to do.

## APPENDIX No. 2

The CHAIRMAN.—I think, Mr. Sharpe, if you suggested one way in which the witness could get the information he was quite right in following that suggestion. I do not see that any fault can be found with him for doing so.

Mr. SHARPE.—I did not say that was the only way he could get the information, I suggested that he might get it that way.

Mr. CARVELL.—I protest against the unfair way in which Mr. Sharpe is treating this witness.

The CHAIRMAN.—Where I think Mr. Sharpe is going a little too far is that he himself made the suggestion that the telephone was one way by which Mr. Ewart could get the information; Mr. Ewart has followed that suggestion and now it doesn't seem to suit Mr. Sharpe.—A. I couldn't do all these little things myself, Mr. Sharpe, it is impossible for me to do everything.

The CHAIRMAN.—I think you should let the architect give the information that he has provided himself with.

*By Mr. Sharpe:*

Q. Now, taking the second floor under the first lease, we are just dealing with the one lease now?—A. Yes, well, are you through with the ground floor?

Q. Now, tell us all you know about the ground floor?—A. Well, on the first lease the Immigration went in in May, 1906.

Q. Where did you get that information?—A. Well, I got it—I told you where I got all the information from, all from the same source.

Q. Well, tell us what that source was; can you tell us who you got it from?—A. No.

Q. That is what I want, you can't tell from whom you got that information.

*By the Chairman:*

Q. You got it from the department?—A. Yes, that is all I can say.

*By Mr. Sharpe:*

Q. You can't tell us from whom in the department you got that information?—A. No, I cannot.

Q. Is there anything else about that?—A. No, that is all.

Q. All right, take the next floor.—A. That is the Immigration again, that is the second floor.

*By Mr. Carvell:*

Q. What is the date there?—A. May.

*By Mr. Sharpe:*

Q. Where did you get that information?—A. In the same place.

Q. Can you tell us now from whom you got it?—A. No, I don't know.

*By Mr. Carvell:*

Q. Where did you get it?—A. I got it from the Department of the Interior.

*By Mr. Sharpe:*

Q. From what individual in the department did you get it?—A. I can't say.

Q. Take the next floor?—A. That is the same department and the same date.

Q. That is May 10th?—A. May 10th, yes.

Q. Why are not the others dated?—A. Because I didn't get the dates.



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Q. Why didn't you get them?—A. I don't know that they could get it. I rather think that they could not, but that is a definite date here.

Q. Where did you get that date?—A. That is the same as the others.

Q. From what department did you get it?—A. The Department of the Interior.

Q. Where did you get that information?—A. From the Department of the Interior.

Q. From what official did you obtain it?—A. I can't say—will that do?

Q. Yes.

*By Mr. Carvell:*

Q. Now the fourth floor?—A. That is the same as the last flat.

*By Mr. Sharpe:*

Q. What department is that?—A. The Marine and Fisheries, that is definite, February 8th, 1906.

Q. Who did you get that information from?—A. From the Marine and Fisheries Department.

Q. From what official in the department?—A. I can't tell.

*By Mr. Carvell:*

Q. Take the other part of it?—A. That is the Tidal Surveys, that is Marine and Fisheries too.

Q. And the date?—A. 19th March, 1906.

*By Mr. Sharpe:*

Q. From whom did you get that information?—A. From the Department of Marine and Fisheries.

Q. And you can't tell us the official from whom you got it?—A. No. The fifth floor, that is occupied by the Agricultural Department.

Q. What is that date?—A. February 12, 1906.

Q. From whom did you get that information?—A. From the Department of Agriculture.

Q. From what official did you get it?—A. I can't say.

Q. All right. The sixth floor, that is Agricultural Department?—A. Yes, Agricultural Department.

Q. The 1st of April, 1906?—A. April, 1906.

Q. From whom did you get that information?—A. From the Department of Agriculture.

Q. From what official?—A. I can't say.

Q. All right, now the seventh floor?—A. That is all under that lease.

Q. The two top floors?—A. Yes, this one and that one, this is another lease.

Q. No, it is the same lease. Let us finish on the one side and then go back to the other side. The seventh floor is the Department of Agriculture, January 30th, one part of it—

*By Mr. Carvell:*

Q. That is 1906?—A. 1906.

*By Mr. Sharpe:*

Q. And February 21st, 1906?—A. Yes.

Q. From whom did you get that information?—A. The Department of Agriculture.

## APPENDIX No. 2

Q. Do you know the official you got it from?—A. No.

Q. Now, take the top floor, the Railways and Canals, April 1st, 1906, from whom did you get that information?—A. The Railways and Canals Department.

Q. From what official?—A. I cannot say.

Q. And the other 30th of January, 1906?—A. That is Agriculture, both Agriculture.

Q. These are both Agriculture?—A. Yes.

Q. One part was taken possession of on January 30th and the other on February 21st, 1906?—Yes.

Q. From whom did you get that information?—A. From the Agriculture Department.

Q. You don't know the official you got it from?—A. No.

Q. Take the sixth floor, the other side, is it the Interior, May 1st, 1906, the whole floor?—A. Yes, the whole floor.

Q. From whom did you get that information?—A. From the Department of Immigration.

Q. You don't know the official you got it from?—A. No.

*By Mr. Carvell:*

Q. Would it be as well to take up the second lease and follow that along as well?

*By Mr. Sharpe:*

Q. Yes, the second lease, that is the other part of it?—A. Yes, that is 6689.

Q. That is the Interior Department?—A. Yes, all Interior.

Q. That is March, you don't know what date in March?—A. No.

*By Mr. Carvell:*

Q. What particular floor is that?—A. The basement.

*By Mr. Sharpe:*

Q. That is the Interior Department?—A. Yes.

Q. You don't know what day in March?—A. No.

Q. You don't know the name of the official?—A. No.

Q. And the ground floor, that is Interior?—A. Interior.

Q. March, 1908, you don't know the day of the month?—A. No.

Q. And you don't know the name of the official from whom you got the information?—A. No.

Mr. CARVELL.—Now, the second floor.

*By Mr. Sharpe:*

Q. The second floor, April, 1908, Interior, you don't know the official from whom you got that information?—A. No, just the same answer.

Q. Nor you don't know the day in April?—A. No, nor the date in April.

Q. Now, the third floor?—A. That is the same.

Q. The whole floor, April, 1908, and you don't know the date.

Q. And you don't know the official you got that from?—A. No.

Q. The fourth floor, May, 1908, Interior Department, you don't know from whom you got that information?—A. No.

Q. The Auditor General, fifth floor, December, 1907, you don't know what date in December?—A. December, well, I remember about that, I can give it from memory, but I could not say the date, although I remember all about that.

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Q. Never mind, I just want to ask you about the date in December?—A. No, I can't give you the date.

Q. From whom did you get your information?—A. I got my information from Mr. Hayter.

Q. Mr. Hayter?—A. Yes.

Q. Is he the deputy minister?—A. No, he is the assistant to the Auditor General. Well, if you will allow me, I will tell you about that one.

*By Mr. Carvell:*

Q. He wants to tell you about that, Mr. Sharpe.—A. Mr. Hayter came and asked if I would go around with him and look at this floor, that they were going to get that floor, that was in the beginning of December and he wanted to discuss with me the laying out of the various pigeon-holes, &c., it is a large room. I went with him and it was arranged between us what was to be done and the work was done by the staff of the department and they finally took possession and all went down there in January. Of course I can get those dates but I did not think there was any necessity to get the actual day if you got the month.

Q. But the actual dates can be obtained if necessary?—A. Yes, in this case anyway.

Q. And you say one part of it was in December and the other in January?—A. We had possession of it in December, I went down with Mr. Hayter to discuss with him how to arrange the room and where to place the pigeon-holes.

*By Mr. Sharpe:*

Q. Who made those alterations?—A. The government staff.

Q. At their own expense?—A. Yes, well you can't call them alterations, they were just pigeon-holes.

Q. What date in December was this?—A. At the beginning of December. Of course if you want to get the actual day I will try to get it; I tried to get the best I could, and I thought if you got the month it was pretty good.

Q. Take the next floor, there is in the other lease?—A. Not the first lease.

*By Mr. Carvell:*

Q. Just go on and see if there is anything in the second lease in these next two floors?—A. No, that is all.

*By Mr. Sharpe:*

Q. Now, I suppose—who in the Interior Department would know about these dates?—A. Well, I think it is more than likely——

Q. Would it be the deputy minister?—A. Well, I don't think it, I think that the parties that occupy these different flats, you understand the offices are occupied by different divisions, and those are the people that are better able to tell you the date they went in.

Q. Did they make reference to the books or anything before they gave you the information?—A. I can't tell you that.

Q. You said that you called some of them up by telephone, did they give you the information offhand?—A. The one that I know particularly about they asked the party that went down there the date at which they occupied it.

Q. Well, we have to have another day, seeing that these witnesses have not turned up, be good enough to get a letter from each of those departments giving the dates?—A. Well, I will ask the secretary of the department to get it.

Q. Well, I want to know definitely under their signature when each floor was taken possession of, the day of the month?—A. Well, I will do that, I will send a memoranda to the secretary to do that; you see I have nothing to do with that matter.

Q. Now, in reference to the Canadian building?—A. That is the one we have just finished.



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Q. You were finishing plans for the alterations while the building was being erected, and before the lease was executed?—A. Well, I can't answer that question.

Q. Well, there is a question on page 70 of the evidence taken at the previous examination:—

Q. The lease provided for all that. The lease provided that the subdivisions will be made according to the plan. You did not have to finish any plans before the lease was executed?—A. I think as far as my memory goes the plans were all furnished before the lease was executed.

A. Well, I believe they were.

Q. I thought you said a minute ago that you couldn't recollect whether they were or not?—A. I said I couldn't answer the question.

Q. Before the building was completed, it would have been better to have said while the building was in process of being constructed you furnished plans?—A. I don't think we did.

Q. The partitions were not in the building when the plans were furnished?—A. Certainly not.

Q. Then the building was not completed?—A. It depends a good deal on what you call a completed building; there were certain spaces, you take the space occupied by the Auditor General, the building was ready for him.

Q. But your plans for the subdivisions of the offices were furnished before the lease was signed?—A. Yes, there is no doubt about that, I don't think there is any doubt about that. Will you allow me a minute?

Q. Yes?—A. Well, the plan for the outline of the building was supplied to the department, it was discussed and referred to the different parties that were to go into the building to lay out the various divisions; they changed them backwards and forwards until they got them to suit, that is the story in regard to the various divisions.

Q. And the plans for the subdivisions of the different offices were submitted before the lease was actually executed?—A. Oh, well, I don't—that is not in my province.

Q. There were no alterations to the plans after the partitions were once put in?—A. Not so far as I know.

Q. They were all new additions?—A. What do you mean by new additions?

Q. Well, subdivisions?—A. Well, of course, as I say the plan was prepared and approved of.

Q. I am not speaking of the plans but of the actual building itself, not the subdivisions, because those were not altered, of course, but were there any alterations in the building?—A. Not that I know of.

Q. There were no alterations?—A. Not that I know of, not as far as I know.

Witness retired.

Committee adjourned.

HOUSE OF COMMONS,  
COMMITTEE ROOM No. 32,  
FRIDAY, April 22, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock, the Chairman, Mr. Warburton, presiding.

The committee resumed the consideration of certain payments for rent and taxes in connection with the Woods' properties on Queen and Slater streets, Ottawa, V-136, Report of the Auditor General, for the year ending 31st March, 1909.

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Mr. GORDON C. EDWARDS, called, sworn and examined:

*By Mr. Sharpe:*

Q. Mr. Edwards, you appear to be a stockholder in the Imperial Realty Company?

—A. I have some stock, yes.

Q. In the application for supplementary letters patent you appear as having held 100 shares in trust?—A. No, I have no shares in trust.

Q. Did you hold any in trust at that time?—A. I did not.

Q. Now you are represented in the petition for the supplementary letters patent as holding 100 shares in trust?—A. Well, I have forgotten about the time this application was made, there might have been something in connection with the application.

Q. The application was made on the 20th of November, 1908, that will be a year ago last November?—A. Yes, well I—

Q. And in that petition Mr. D. M. Finnie is represented as holding 800 shares in trust and you were represented as holding 100 shares in trust?—A. If there is anything of that sort it was in connection with the application, but I have no shares in trust for any one; any share that I have in the Imperial Realty Company are my own.

Q. You do not hold now and never held any shares in trust?—A. I never have.

Q. Do you know of any member of the company that has any shares in trust?—A. I do not.

Witness discharged.

Mr. ERNEST LINTON, recalled:

WITNESS.—Do you want to see the stock books, Major?

*By Mr. Sharpe:*

Q. Not just now, but I want to see the other books in reference to the cost of heating the building?—A. I have prepared a statement if you care to look at that, or do you want to see the books? (Documents handed to Mr. Sharpe).

Mr. SHARPE.—I will see the statement first and I may later on see the books.

*By Mr. Sharpe:*

Q. This is from 1906, is it?—A. Well, from the fall of 1906, yes.

Q. These are details of the same, they are not duplicates?—A. Yes.

Q. Now, have you the lighting account there?—A. Well, there is very little about the lighting account except—

Q. Except the amount paid?—A. Yes.

Q. Let me see that account?—A. Well, if there is any necessity for you to see it I can show you a copy.

Q. I want to know the amount of the cost of lighting, what you paid the Electric Light Company for the lighting of the Woods building and the Canadian building?—A. The contracts would show that.

Q. Well, let us see the contracts.—A. Well, I don't know—You are charged exactly 8 cents per watt hour the same as anybody else, but whether we buy it cheaper doesn't seem to me to be relevant. It seems to me that we are charging the government the current rate of 8 cents per watt hour less 10 per cent, and I do not think it matters whether we may or we may not buy it cheaper.

Q. You may or you may not, do you mean you do or do not buy it cheaper?—A. Well, I put it that we may or we may not.

Q. Complete your statement?—A. Whether we do or not does not seem to me to be relevant as we are charging the government the regular rate which obtains in the city.

## APPENDIX No. 2

*By the Chairman:*

Q. Do I understand you to say that you are charging the regular market price with the discount off?—A. Yes, sir.

Q. With 10 per cent off?—A. Yes.

*By Mr. Carvell:*

Q. Just the same as is charged to any other consumer?—A. Yes.

*By Mr. Sharpe:*

Q. You get your light from the Ottawa Electric Company?—A. We do, from the Ottawa Electric Light Company, and we do from the Consumers Electric Light Company, we do from both.

Q. There are two electric light companies in the city furnishing the public with light?—A. Yes, sir.

Q. And by which company is the Woods building lighted?—A. That is lighted by the corporation of the city of Ottawa.

Q. And the Canadian building?—A. By the same company.

*By Mr. Carvell:*

Q. And what about the Queen street building?—A. By the same company.

*By Mr. Sharpe:*

Q. Now, you were speaking of the contract the Imperial Realty Company have with the Ottawa Electric Light Company. Has the Imperial Realty Company any other buildings that are lighted at the present time than those you have already stated?—A. Yes, we do.

Q. What are the other buildings?—A. We own the Roxborough apartment building.

Q. That is not lighted now?—A. Yes, it is.

Q. When did you light that?—A. Three or four months ago.

Q. Prior to that were there any other buildings owned by the Imperial Realty Company lighted by electricity other than those three buildings occupied by the government?—A. Yes,—none except two small houses

Q. So that the only contracts that the Ottawa Electric Light Company had with the Imperial Realty Company were in respect to those buildings?—A. Yes.

Q. So that if you get a discount from the Ottawa Electric Light Company you would be getting a discount on a smaller consumption than the government consume?—A. I don't understand the question.

Q. The government, as I understand it, has contracts with the Ottawa Electric Light Company for all its buildings here in Ottawa?—A. You are getting the companies mixed, this company that we are dealing with is the corporation of the city of Ottawa.

*By the Chairman:*

Q. That is the city itself?—A. Yes.

*By Mr. Sharpe:*

Q. That is what I call the Ottawa Electric Light Company, that is the city of Ottawa municipal plant?—A. That is right.

Q. Well, then, we were informed here by one of the officials of the department that the accounts that are paid by you to the city of Ottawa for electric light were passed on to the government, and the government issued their cheque and used the vouchers of the city of Ottawa?—A. Not necessarily.

Q. Now, without consuming too much of the time of the Committee and hedging on the matter, I will ask you direct: you pay, as a matter of fact, less to the City of Ottawa than you get from the government for the lighting of this building?—A. We may buy it cheaper.



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Q. Do you buy it cheaper?—A. Am I compelled to answer that.

The CHAIRMAN.—Well, I don't think you are. It does not matter whether you buy it cheaper, in my opinion, as I understand it you supply it to the government at the current market price.

Mr. CARVELL.—I don't want to object at all, but I happen to know this, if my learned friend will allow me to interject one question, this is supplied under a contract dated back some time ago, and if you will allow me to ask the witness a question I will get the information in the form of evidence.

*By Mr. Carvell:*

Q. When was the contract made?—A. In 1905, I think it was.

Q. Now at that time were you consuming more electricity than required for lighting in this building?—A. Yes, we were manufacturing, Woods, Limited, were manufacturing.

Q. And you made a contract for both power and light?—A. Yes.

Q. And that contract is still running?—A. It is still running.

Q. And you are charging the government exactly the ordinary city rates for the light that is now consumed in these two buildings?—A. Yes.

Mr. CARVELL.—That seems, Mr. Chairman, to be the actual case. I do not see what difference it makes to us if this company were able some years ago to make a favourable contract so long as they do not charge the government any more than the government would have to pay if they themselves went and tried to make a contract. I do not see anything unfair to the government or the country in that.

Mr. SHARPE.—Do not put the government on the same basis as a private consumer; why the government consumes ten times as much as Woods, Limited, ever consumed.

*By Mr. Sharpe:*

Q. Is Woods, Limited, now taking electricity for power purposes?—A. Yes.

Q. Where are their works situated?—A. In Hull.

Q. Do they pay by meter rate?—A. Well, I don't think I should answer that, major, because it is not relevant to the question.

Q. I think you should answer it. I wasn't bringing it in, you have answered favourable questions to my learned friend and now you have to answer something else?—A. This was at the time——

Q. Let us get back to when the works were in the city. Were they paying for electricity by meter or by flat rate?—A. They were paying practically the same rate as the government is paying——

Q. I am not asking you that. Were they paying a flat rate or by meter?—A. They were paying for light on the meter, I think, I am not quite sure of that, and for their power not on the meter, but so much per horse power.

Q. How much horse power did the Woods Company use at that time?—A. Well, that is three years ago and it is rather difficult to say.

Q. Your contract will show, let us see the contract.—A. It won't show.

Q. Let us see what your contract says.

Mr. CARVELL.—What contract.

Mr. SHARPE.—You referred to the contract made three years ago.

Mr. CARVELL.—I object to that contract being put in.

The CHAIRMAN.—I think what you want to get at is this, is this company charging more than the fair market rate for its power, if they are not I don't see that we have anything more to do with it.

Mr. SHARPE.—Surely we are entitled to find out what they paid for it.

The CHAIRMAN.—No, I do not think so.

Mr. SHARPE.—How are we to ascertain whether they are paying a fair price or not if we do not have the contract?

## APPENDIX No. 2

The CHAIRMAN.—Supposing we were doing some public work and the contractor managed to make a very favourable price for his material wouldn't he be entitled to get the benefit of it.

Mr. SHARPE.—In the Sub-Target Machine Gun case this committee went into the cost of production in order to see whether the price was fair, and we are entitled to go into the same matter here. I submit that the question is a proper question, otherwise we might as well close up the committee and stop investigating, if we cannot ascertain what these people are paying. That is what we have been trying to get at, and that is the question they have been considering.

The CHAIRMAN.—They have a contract with the city of Ottawa to supply them with power and light, and it is not alleged, so far as I know, in fact it is sworn that it is not the case, that the price they are charging to the government is anything but regular market prices.

Mr. SHARPE.—For small consumers.

The CHAIRMAN.—With the discount off.

Mr. SHARPE.—For small consumers.

The CHAIRMAN.—I do not know whether it is small or large. I do not think we have any right to inquire into a man's private business where there is no allegation of fraud in it. I must say I have allowed the most extraordinary latitude in this investigation, but I think this is going too far.

*By Mr. Sharpe:*

Q. What quantity does the Woods Company consume of electricity, for lighting purposes?—A. As I said before, I cannot tell you.

Q. Can't you refer to the books and tell us?—A. No, I cannot, for it is a very difficult thing to do, it will take perhaps three or four hours to do it.

*By the Chairman:*

Q. I suppose when you are talking about the horse-power consumed some days, you use more than others, it varies?—A. Yes.

*By Mr. Sharpe:*

Q. I submit that the witness should not be helped out.—A. I can give you a general answer, Major, I am anxious to help you.

Q. I don't want a general answer, but I want to know how much electric light was used in lighting the Woods building last year.

Mr. CARVELL.—You can easily find that out by getting the vouchers from the company.

*By Mr. Sharpe:*

Q. What were the Woods Company using last year?—A. The Woods Company were not using anything last year.

Q. Well, the Imperial Realty Company?—A. That it a difficult question to answer, do you want the watt hours.

Q. Can you go to the city of Ottawa and get a more favourable contract than anybody else?—A. Not to-day.

*By Mr. Carvell:*

Q. Have you tried to make a new contract?—A. We have.

Q. What did you try to make a contract for?—A. For the apartment house, and we could not get any concession at all, we had to pay the same as any other consumer.

Mr. SHARPE.—Let us see the contract.

The WITNESS.—Have I to show that?

The CHAIRMAN.—I do not object to your seeing that, Mr. Sharpe. (Witness hands document to Mr. Sharpe.)

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Mr. CARVELL.—Are you referring now to a contract with the government or with the city, Mr. Sharpe?

The CHAIRMAN.—Is this a contract with the city?

Mr. CARVELL.—Well, if my learned friend thinks he can get in evidence in that way he is greatly mistaken. The witness says that is a private contract between the Woods Company and the city of Ottawa.

The CHAIRMAN.—I do not think we have anything to do with it.

Mr. SHARPE.—We have everything to do with it.

The CHAIRMAN.—Supposing they make a good contract with the Light Company, what has that to do with it?

Mr. CARVELL.—I ask your ruling, Mr. Chairman.

The CHAIRMAN.—I will not allow this contract to go in.

Argument followed.

Q. I must ask you, Mr. Sharpe, to return the contract to the witness, or I shall leave the chair.

Mr. SHARPE.—I am entitled to peruse this contract.

The chairman left the chair and declared the committee adjourned.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, April 29, 1910.

The Select Standing Committee on Public Accounts met at 3 o'clock, p.m., the chairman, Mr. Warburton, presiding.

Mr. D. EWART, chief architect, Public Works Department, recalled:—

*By Mr. Sharpe:*

Q. Mr. Ewart, you were to produce some correspondence——

Hon. Mr. PUGSLEY.—Which building are you asking about now, Mr. Sharpe, the Woods building, is it?

Mr. SHARPE.—I think the correspondence I asked Mr. Doody for was in reference to the Canadian building. Have you those letters, Mr. Doody? The first one asked for, I think, was February 6, 1908, a letter from James W. Woods to D. Ewart, chief architect. (Document produced.) Reads:—

D. EWART, Esq.,  
Chief Architect,  
Dept. Public Works,  
Ottawa.

OTTAWA, February 6, 1908.

DEAR SIR,—The offices of the Canadian building are now ready for the installation of the shade curtains on the windows. We can let you have these at the same price as you paid two years ago to have these installed on the other portion of the building. Everything of course to be uniform colour and quality. The prices are as per invoice of March 26, 1906. Would you desire the Powell



## APPENDIX No. 2

Patent Adjuster on any of these blinds, as you are aware this enables you to obstruct the light from any point of the window.

Awaiting your pleasure in this matter we are,

Yours very truly,

IMPERIAL REALTY CO., LTD.  
(Sgd.) JAMES W. WOODS,

*President.*

Picture moulding, 5 cents per lineal foot put up.

J.W.W.

That has nothing to do with the lighting, I am just putting that in in order that the case with reference to the renting and when they took possession may be completed. Then there is a letter of December 12, 1907, to Mr. Ewart from Mr. Woods, or rather from the Imperial Realty Company signed by Mr. Woods, as president. (Reads):—

OTTAWA, December 12, 1907.

D. EWART, Esq.,  
Chief Architect,  
Dept. Public Works,  
Ottawa.

DEAR SIR,—In reply to your favour of the 10th instant, inclosing plan of partitions to be erected on the 5th floor Canadian building, also details of same, we beg to quote you \$10 per lineal foot for terra cotta brick walls set in cement 7 ft. 6 inches high by 4 inches, hard wall plaster on both sides, ash base on both sides, burlap and chair rail in the halls consistent with the balance of the building walls of hall to be tinted, windows to be wire glass, fanlights hinged.

Ash panel doors, architraves, frames, ground glass panel, two 5 x 5 hinges, locks similar to what is installed in the other parts of the building, finished complete, \$30 each, tinting and patching all other walls and ceilings 8 cents per square yard.

If these prices are satisfactory, we are prepared to begin the work to-morrow and complete with the utmost despatch.

Yours very truly,

IMPERIAL REALTY CO., LTD.  
(Sgd.) JAMES W. WOODS,  
*President.*

Then there is the letter of December 28, 1907—

Hon. Mr. PUGSLEY.—There is evidently a letter from Mr. Ewart to Mr. Woods which you have omitted, acknowledging the receipt of some letter from Mr. Woods, apparently these are all letters from the Imperial Realty Company to Mr. Ewart, there are no replies to them put in. The record will be quite unintelligible unless the letters in reply, or to which these are replies, are put in.

Mr. SHARPE.—I am quite content to allow you to put the letters in.

Hon. Mr. PUGSLEY.—That is not the way, they should be put in altogether, that is the rule.

Mr. SHARPE.—My object in putting these in was merely to fix the time when the building was ready for occupancy.

Mr. BOYCE.—I suppose these letters can go in provided the replies are attached to them in order to make the correspondence complete?

The CHAIRMAN.—Perhaps Mr. Ewart has the replies here.

The WITNESS.—No, I haven't them here.

Mr. SHARPE.—I would suggest that Mr. Doody attaches those replies in their proper order and have them put in the record.

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Hon. Mr. PUGSLEY.—That will be all right.

Mr. SHARPE.—There is a letter of December 28, 1907, from Mr. Woods, for the Imperial Realty Company, to Mr. Ewart, as follows. (Reads):—

D. EWART, Esq.,

OTTAWA, December 28, 1907.

Chief Architect,

Department of Public Works,

Ottawa.

DEAR SIR,—We beg to quote you \$12.50 each for tearing down and building up openings for doors in the centre wall of the Canadian building. This also includes the cost of boarding up the openings so as to keep the dirt from the portion of the building now occupied by you. Will you be good enough to instruct us to proceed with this work at once as the brick work will all be finished on Monday noon and our contractor says he cannot afford to come back to do this work for this price after having removed his plant.

We also appreciate your letting us have the plans for the ground floor and basement, so that this work may be completed at once.

Thanking you in anticipation, we are

Yours very truly,

IMPERIAL REALTY CO., LTD.

(Sgd.) JAMES W. WOODS,

*President.*

Hon. Mr. PUGSLEY.—I was under the impression that the meeting this afternoon was solely to go into the question of lighting and heating.

Mr. SHARPE.—I wanted only to put these letters in so as to close up that part of the inquiry.

Hon. Mr. PUGSLEY.—That is the difficulty, it may not close it up.

The CHAIRMAN.—What we had before us, I understood was that Mr. Ewart was to fix the dates on which these properties were taken possession of and then we were to proceed to investigate the lighting and heating.

Mr. SHARPE.—Mr. Ewart's examination was not closed, and I want these letters to go on record.

Hon. Mr. PUGSLEY.—You see certain gentlemen who would like to be present when the investigation in connection with the renting of the buildings is in progress are not here because it was understood that the inquiry this afternoon would be confined solely to the lighting and heating, that is what Mr. Macdonald told me.

The CHAIRMAN.—Perhaps we can go on with the lighting and heating matter and then deal with the other matter later.

Mr. BOYCE.—What objection can there be to Mr. Sharpe proceeding to close his case by putting in this correspondence with the understanding that that correspondence is implemented by what letters there are in the possession of the Department of Public Works.

Hon. Mr. PUGSLEY.—It seems to me that when a meeting is called to hear certain evidence upon certain points it is a little irregular to take up matters for the consideration of which the meeting has not been arranged; gentlemen who are interested in the question it is proposed to take up are not present.

Mr. SHARPE.—Excuse me, this meeting was called regularly to consider the whole question.

Hon. Mr. PUGSLEY.—Pardon me, Mr. Macdonald told me, he is my authority, that he was not able to be here and that the question of lighting was to come up this afternoon.

The CHAIRMAN.—That was the question that was to come up, but we are not tied down to it as far as I know.

Mr. SHARPE.—That is so, all I want to do is to complete the record upon this point, afterwards they can supplement it by anything they wish.

## APPENDIX No. 2

Hon. Mr. PUGSLEY.—The difficulty, you see, Mr. Chairman, is that the correspondence is not complete.

The CHAIRMAN.—The correspondence ought to be completed, there is no doubt about that.

Hon. Mr. PUGSLEY.—Was not the meeting this afternoon for the purpose of hearing evidence with regard to the lighting and heating. I would suggest that we proceed with that.

Mr. SHARPE.—If you like I will go into that as Mr. Linton is here now.

The CHAIRMAN.—I think it will be better.

Mr. SHARPE.—I only asked Mr. Ewart these questions on account of Mr. Linton not being here. What I would be willing to do would be to go over the correspondence and have these letters put in, the department also putting in such letters as are necessary.

Hon. Mr. PUGSLEY.—That involves trouble. It does seem to me that if Mr. Sharpe wished to put in correspondence he should have asked Mr. Doody to bring it all.

The CHAIRMAN.—I think you had better ask Mr. Doody to bring the rest of the correspondence necessary to make the matter intelligible. Then it can all go in together.

Mr. SHARPE.—Before Mr. Ewart leaves I wish to ask him whether the typewritten statement with regard to heating and lighting of the Woods and Canadian buildings from the Auditor General's Report is correct.

The WITNESS.—Yes.

Witness retired.

Mr. SHARPE.—I desire that statement to go in.

Hon. Mr. PUGSLEY.—To put in a typewritten statement with a lot of your memoranda on it is not proper.

Mr. SHARPE.—Mr. Linton has a duplicate copy.

Hon. Mr. PUGSLEY.—That will be better. Put that in.

STATEMENT of Cost of Heating and Lighting Woods and Canadian Buildings,  
Ottawa.

(Taken from Auditor General's Reports).

HEATING.

	Wood's Building.	Canadian Building.	Total.
	\$	\$	\$
1903-4.....	1,587 24	.....	1,587 24
1904-5.....	1,353 34	.....	1,353 34
1905-6 } .....	5,183 62	3,066 14	8,249 76
1906-7 } .....	3,659 04	3,344 88	7,003 92
1907-8.....	3,659 04	5,504 47	9,163 51
1908-9.....			
Totals.....	15,442 28	11,915 49	27,357 77

LIGHTING.

1903-4.....	399 00	.....	.....	399 00
1904-5.....	536 30	.....	.....	536 30
1905-6.....	561 67	.....	.....	561 67
1906-7.....	699 15	1,610 66	599 99	2,909 80
1907-8.....	2,133 56	.....	1,430 69	3,564 25
1908-9.....	3,696 50	.....	5,769 41	9,465 91
Totals.....	8,025 18	1,610 66	7,800 09	17,435 93



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Mr. ERNEST LINTON, recalled and examined:

*By Mr. Sharpe:*

Q. Mr. Linton, you have prepared this statement of the heating account (exhibiting document to witness)?—A. May I have it?

Q. You have a duplicate?—A. No. I have not. I only had one copy of it and I left it down at the office.

Q. You had two typewritten statements?—A. Only one.

Q. I handed you one back.—A. I know you did, but this is only one sheet, Mr. Sharpe.

Q. There was one original and one copy?—A. Well, but may I have that copy when I am giving my evidence. I haven't put it in yet.

Q. But I put it in.—A. You had no right to, it seems to me. I lent it to you to look it over.

The CHAIRMAN.—I do not think the statement has been put in yet.

The WITNESS.—Mr. Chairman, Mr. Sharpe took this statement and kept it all this time. I don't think that is exactly fair to me.

Mr. SHARPE.—It is information that the committee is entitled to and should be on record. You said it was put in and I don't see why I am not entitled to use it.

The WITNESS.—Why did you keep it in your pocket all this time?

Mr. SHARPE.—I kept it among my papers.

The WITNESS.—Do you think that is fair treatment to me?

Mr. SHARPE.—I am not here to discuss matters with you. You are here to answer questions. Have you another copy of this statement?

The WITNESS.—No. I have not.

Mr. SHARPE.—Then I ask you to put that in.

The CHAIRMAN.—You cannot put in this memoranda.

Mr. SHARPE.—I will read the items off.

The WITNESS.—I will read it. (Reads): 'Coal, one year, \$5,165.83; slaaries, \$1,660; repairs to heating, \$700; boiler insurance, \$100; installation of smoke preventer, \$2,000; wear and tear, \$500; making a total of \$10,125.83.'

*By Mr. Sharpe:*

Q. What is that?—A. That is heating.

Q. What is that a statement of?—A. That is the cost of the heating?

Q. For how long?—A. For one year.

*By Hon. Mr. Pugsley:*

Q. Is that for one building or for both?—A. Both buildings

Mr. SHARPE.—I want the witness to hand in that statement.

The WITNESS.—Can't I keep it?

The CHAIRMAN.—Mr. Sharpe has a right to look at it now.

*By Mr. Sharpe:*

Q. How do you make up the amount of \$15,497.49?—A. It is made up of coal purchased.

Q. From what time to what time?—A. From 1906 to the spring of 1910.

Q. How do you arrive at one year's estimate?—A. I took a third.

Q. You took a third of it?—A. Yes.

Q. Is this the itemized statement of it?—A. This is the itemized statement. (Referring to the first of two sheets handed in.)

Q. Let me look at it, please.—A. I have not put it in yet.

Q. But you have referred to it.

The CHAIRMAN.—Mr. Sharpe is entitled to look at it.

## APPENDIX No. 2

*By Mr. Sharpe:*

Q. This is a statement of the purchases of coal from June 15, 1906, to March 29, 1910?—A. Yes.

Q. Has there been any coal purchased since the 29th March, 1910?—A. Oh. I think, probably, there has been a little.

Q. Has there or has there not?—A. I say there has.

Q. How much?—A. I don't know, there may have been a few tons.

Q. Can't you tell by a reference to the books?—A. No, sir, I cannot, because the accounts are not paid yet.

Q. Wouldn't you have a statement of the accounts?—A. No. We pay cash and then make our entries afterwards.

Q. But have you not a bill of them?—A. Not with me, no.

Q. How much coal would be purchased since the 29th March?—A. Oh, possibly a hundred tons.

Q. There have been over \$1,200 paid for coal since the 29th March?—A. I don't understand, since the 29th March.

Q. The last entry is '29th March, C. C. Ray, \$797.41; D. Coal, \$232.80; J. Heney, \$378.20.' You have paid \$1,200 since 29th March for coal?—A. Is that since the 29th March?

Q. You have got it dated 29th March.—A. Well, it is not since the 29th March.

*Hon. Mr. Pugsley:*

Q. It is to the 29th March.—A. To the 29th March.

*By Mr. Sharpe:*

Q. I mean up to the 29th March?—A. Yes, to the 29th March.

Q. These other dates are when the payments are made, are they?—A. Presumably so, yes.

Q. And that would be about the time the coal was purchased?—A. Not necessarily. It might have been purchased a month ahead.

Q. But you have purchased since the 29th March over a hundred tons?—A. No, I don't think so.

Q. In the ordinary course of business, how long do you keep the building heated?—A. We keep it heated until the 15th May and sometimes the 1st June.

Q. And this is the 29th April. Have you got enough coal to finish the balance of the season?—A. I don't think so.

Q. How much more will be required for the balance of the season?—A. Oh, probably fifty or a hundred tons.

Q. That would be 200 tons. Roughly speaking, how much would that amount to?—A. Roughly speaking it would amount to about—oh, about \$1,000.

Q. That would be at the rate of \$5 a ton?—A. Yes, roughly speaking. \$5.25 is about the price.

Q. Then there has to be another \$1,000 added to the amount of your purchases of coal which would make \$16,497.49. That would represent the coal account from June 15, 1906, up to June, 1910?—A. That is right.

Q. That would be four years?—A. Not necessarily.

Q. June, 1906, to June, 1910, is four years?—A. Yes, but you must remember we purchased ahead, Mr. Sharpe. We purchase our coal in June.

Q. You purchase your coal in June?—A. Yes.

Q. For the following winter?—A. Yes.

Q. Well, I am taking the dates that you have furnished. So the total account from June 15, 1906, to June, 1910, would amount to \$16,497.49. One-fourth of that would be \$4,124.39. Then the wages of the men are correctly set out in your statement. There is one fireman at \$900?—A. Yes.

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Q. And two assistants. Do you keep them for eight months?—A. Yes, we do invariably. Sometimes we have to keep them for the year.

Q. And the wages come to \$1,660. Now, let me see your repair account, please, in your book. Have you it there?—A. I have it here, yes.

Q. What is that cash item, the bottom item?—A. That is a new pump we had to put in.

Q. For what?—A. Forcing the steam up through the radiators.

Q. What is the first item there?—A. That is last year, it is not included in this at all.

Q. That is last year's total, \$319.71. Where is 1908?—A. That is not in this; I did not separate these items.

Q. Didn't you look for 1908 repair account?—A. No, sir.

Q. You have filed the coal account for four years, why haven't you looked up the repair account?—A. I can do that if you want me to, I will be very glad.

Q. Can you do that here?—A. No, I can not.

Q. I see that in 1909 the repair account only amounted to \$319, do you know whether it amounted to more or less than that?—A. I could not say.

Q. For the year before that?—A. I couldn't say.

Q. That \$195 for a pump was an extraordinary repair, you don't often have such expensive repairs?—A. Well, if the pump plays out you might want one every year or every two years.

Q. You would not want one every two years?—A. We have more than one pump you know.

Q. How many have you?—A. About six.

Q. The life of a pump is how long, ordinarily?—A. It might be five years or it might be two.

Q. Or it might be twenty?—A. No, it wouldn't be twenty.

Q. At any rate in 1909 your repair account was only \$319?—A. That is so.

Q. And this year it was a little larger?—A. Considerably larger, twice as large.

Q. How do you make it out twice as much?—A. Because we haven't finished the year yet.

Q. Then how do you know what it will be before the year is finished?—A. Because it is more than 25 per cent higher now.

Q. You had an extraordinary expenditure of \$195 for a pump, you don't expect another pump to give out, do you?—A. There are other things might give out.

Q. I see you have an item here, that is repairs to heating, &c., which, of course, I do not think is proper here, that is \$700 for 12 months, which is pretty nearly double the amount of the account up to date.—A. We will be very glad to do it for \$700.

Q. No doubt, but so far as you know there will be no more repairs?—A. I think there will be more.

Q. How can you tell there will be more repairs?—A. Because I have been through the buildings to see.

Q. Don't you think it will be a fair thing to average the cost for the last four or five years?—A. No, I do not.

Q. You do not?—A. No.

Q. At any rate—what date is \$453, the first there?—A. The first of October.

Q. The first of October what year?—A. 1909.

Q. It is \$453.19, and you think there will be some additional repairs but you can't say how much?—A. I should think there will be about \$300 or \$400.

Q. So that this will be an extraordinary bad year, the year that we are investigating now?—A. Not necessarily, something may occur next year.

Q. But it didn't occur in 1909?—A. It just happened that it did not.

Q. I wish you would look up what the repair account has been for the last three



## APPENDIX No. 2

or four years if we do not finish to-day you can give it at the next meeting?—A. Certainly.

Q. Now did you ever know of a landlord renting a building and not including the heating apparatus in the house in the rent, reserving the heating apparatus?—A. I can't say that.

Q. Don't you think that the boiler insurance would be the same as the house insurance?—A. Not necessarily.

Q. Do you think that the boiler insurance is a proper item chargeable against the heating expenses?—A. I do.

Q. If the heating apparatus had been rented at the same time as the building was rented who would have had to keep up the boiler insurance?—A. The tenant would, naturally.

Q. Does he keep the building insured?—A. Not altogether, no.

Q. Does the present tenant, the government pay any insurance?—A. Not that I know of.

Q. Why should the tenant pay the insurance on the boiler any more than on the building?—A. We are discussing the cost of heating, and that is a proper charge against heating.

Q. I am not asking that——

Hon. Mr. PUGSLEY.—That is not insurance against destruction by fire, it is boiler inspection.

*By Mr. Sharpe:*

Q. What is the object of the insurance?—A. To inspect the boilers and see if they are in proper shape.

Q. And if they burst what about it?—A. The company are liable.

Q. The company that insures them?—A. Certainly, this is for the safety of our tenants.

Q. Another item is for four automatic stokers and smoke preventers, how much did they cost?—A. I have it down there.

Q. 3,800, it is there, and you have charged \$2,000 in the account for the year?—A. Yes.

Q. What is the object of the automatic stoker and smoke preventer?—A. We were notified by the city that the smoke nuisance would have to be done away with, and this smoke preventer was recommended to us, and put it in for the purpose of complying with the city by-laws.

Q. And what is its ordinary life represented to be?—A. Its ordinary life, I suppose, would be perhaps three or four, or five years maybe.

Q. You do not imagine that a smoke preventer would only last not more than three or four years?—It wouldn't certainly last more than five or six.

Q. Did they make any representation to you as to its life?—A. No, sir, they did not.

Q. Have you any personal knowledge?—A. No, I have not.

Q. Then why have you offered an opinion when you have no knowledge on it?—A. Because you asked me; have you any knowledge?

Q. No, I have not, still it seems an extraordinary thing to me, I should think it would last twenty years.

Hon. Mr. PUGSLEY.—Do you know Mr. Sharpe?

Mr. SHARPE.—No, I do not.

*By Mr. Sharpe:*

Q. Do you know what the life is?—A. No, I do not.

Q. Why did you charge up \$2,000 in the annual cost?—A. Because we have written it off the books.

Q. When did you write it off?—A. We wrote it off in the ordinary course.

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Q. How long ago did you write it off?—A. Three or four months ago, I think.

Q. Turn up your books and show when it was written off?—A. (After referring to books) March.

Q. Repairs to building?—A. Well, that is a mistake.

Q. Well, it was in March, 1910, that is last month?—A. Yes.

Q. That is since this investigation started?—A. Not necessarily.

Q. Well, was it since this investigation started?—A. No, it was not.

Q. You said it was written off two or three months ago, that is what I understood you to say?—A. Well, I didn't know.

Q. You are giving evidence here, and we want accurate information.—A. I am giving it to you now.

Q. I know, but after looking up the books we found it was in March, 1910.—

A. You are putting me in a wrong position, I did not know.

Q. I do not want to do that, I want to put you in the right position.—A. I didn't do it deliberately.

*By Hon. Mr. Pugsley:*

Q. What was the date in March?

Mr. SHARPE.—It does not mention any date.—A. No, it does not, I think it was in the beginning.

*By Mr. Sharpe:*

Q. Do you know whether it was the beginning or not?—A. No, I do not.

Q. Then why do you say it was in the beginning, or that you think it was? A few minutes ago you said it was a few months ago, do you when it was?—A. No.

Q. When was this automatic smoke preventer installed?—A. Two were installed last year, I think, and two this year.

Q. Why would you write it off then within a year after it was installed?—A. We intended to write them off in two years.

Q. Do you expect to have to reinstall them again in two years?—A. Possibly.

Q. If you intended to write them off in two years why did you write them off in less than one year?—A. I beg pardon.

Q. If you intended to write them off in two years why did you write them off in less than one year?—A. I have not written them off in less than one year.

Q. You say you have written off \$2,000.

The CHAIRMAN.—That is half of it.—A. Well half of it, practically half of it.

Q. That is an item which is not properly chargeable against the year's heating, that expenditure will not be incurred every year, will it?—A. Well, we don't know. We don't know whether it will or not.

Q. Don't you know that you don't have to instal that every year or every two years?—A. I don't.

Q. Do you think you will have to instal it every couple of years?—A. I hope we won't.

Q. Do you think you will?—A. I don't know.

Q. Do you know whether you will have to install it every five years or not?—A. I don't.

Q. Who instructed you to write off \$5,000?—A. The directors.

Q. When did the directors instruct you to that effect?—A. Well, I can't say that, Mr. Sharpe.

Q. Did they instruct you since this investigation took place?—A. No, sir.

Q. Did they instruct you in view of this investigation?—A. No, sir.

Q. Then you have '10 per cent wear and tear on boilers, &c. Say on \$5,000, four boilers.' charged up against the annual meeting. Do you think that is a proper charge?—A. I think so.

Q. Wear and tear on boiler?—A. I think so.

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Q. You think that is a proper charge upon the annual meeting?—A. I think so.

Q. I desire this to go down on the record as my contention. Of course the full statement will go in—has gone in in fact—and will appear on the record—

Hon. Mr. PUGSLEY.—You are giving this as Mr. Linton's evidence.

Mr. SHARPE.—Oh, no.

Hon. Mr. PUGSLEY.—You are giving it as—

Mr. SHARPE.—As the deduction to be made from his evidence.

The CHAIRMAN.—We had better hear the evidence.

*By Mr. Sharpe:*

Q. Your evidence is that the coal account from June 15th, 1906, to June, 1910—including \$1,000 for additional purchases—amounts to \$16,497.49. That is a four years full account. One-fourth of that would be \$4,124.30, to which should be added wages, \$1,660; repairs, \$453.19, a total of \$6,237.58. Do you not think that is the proper amount that is chargeable for the heating for one year?—A. No, sir.

Q. The cost of heating the Canadian and Woods buildings for the year 1908-9 came to \$9,163.51, or a net profit, if these figures are correct, of \$2,925.93. That the Imperial Realty Company is making out of the government in heating these two buildings. Is that not a proper statement of the cost and the profit that the Imperial Realty Company is making?—A. I don't think so.

Q. In what respect is it not a proper statement?—A. Well, you have my statement there.

Q. You say this is a proper statement (exhibiting statement filed by witness)?—A. I think so.

Q. Very well, we will let it go at that.

Hon. Mr. PUGSLEY.—What the witness said was 'my statement,' not 'your statement.'

The WITNESS.—Yes, that is correct. I mean the statement that I have been made.

Hon. Mr. PUGSLEY.—Would it not be well to get in evidence the witnesses' statement.

Mr. SHARPE.—It has been handed in.

The CHAIRMAN.—No, it has not been put in yet.

*By Hon. Mr. Pugsley:*

Q. You have produced two statements and you swear these are correct?—A. Yes, sir.

Hon. Mr. PUGSLEY.—The two documents had better be put in as Mr. Linton's statement. Will you please mark them, Mr. Chairman.



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1906.		\$ cts.	1909.		\$ cts.
June 15.....	Morris.....	226 34	Jan. 23.....	Heney.. . . .	6 90
July 11.....	Heney.....	138 53	Mar. 27.....	Ray . . . . .	50 49
" 31.....	D. Coal.....	828 52	" 6.....	Heney.....	9 30
Sept. 8.....	" .....	811 83	April 30.....	" .....	4 65
" 8.....	" .....	618 61	June 17.....	" .....	6 65
			Nov. 10.....	" .....	13 05
1907.				O. Trans. Co....	163 86
Jan. 24.....	Heney.....	88 78	Nov. 22.....	D. Coal. ....	648 09
Feb. 19.....	" .....	59 20	Dec. 10.....	Ray . . . . .	115 89
April 30.....	D. Coal.....	109 79		D. Coal. ....	646 57
	J. Heney.....	239 48		O. Trans. Co....	334 11
	Frt. G.T.R....	98 19			
June 28.....	D. Coal.....	72 00	1910.		
August 15.....	Heney.....	67 74	Jan. 12.....	Heney.. . . .	14 30
July 24.....	D. Coal.....	1,318 91	" 31.....	D. Coal.....	129 32
August 1.....	" .....	677 34		C.P.R.....	101 24
" 15.....	O. Trans. Co....	455 85	Feb. 10.....	Frt. and Duty..	20 14
	Ray .....	167 29		C.P.R.....	98 09
Dec. 27... ..	Heney.....	123 18	" 16.....	C.P.R.....	99 46
1908.				D. Coal.....	127 04
Feb. 28.....	Ray.....	120 06	" 22.....	Heney.....	18 60
	Heney.....	49 06		H. K. Wick....	51 28
May 28.....	Ray.....	725 00	March 12.....	D. Coal.....	391 49
	Heney.....	151 84		C.P.R.....	176 60
Sept. 8.....	D. Coal.....	2,303 16	" 29.....	C. C. Ray.....	797 41
	Heney.....	4 65		D. Coal. ....	232 80
Oct. 21.....	Ray.....	170 67		J. Heney.....	378 20
Nov. 18.....	D. Coal.....	604 05			
Dec.....	O. Trans. C.....	631 89			15,497 49

## HEAT ACCOUNT.

Coal—		
1/3 of \$15,497.49.....		\$ 5,165 83
Salaries—		
1 Fireman, \$800, first 6 months ; \$900, second 6 months.. . .	\$850 00	
2 Assistants—		
One year at \$50, and 6 months at \$45.....	870 00	
		1,720 00
Repairs to heating, &c., \$453.19 for 6 months .....	700 00	for twelve months
Boiler insurance.....	100 00	
Installation of automatic stoker and smoke preventer, 4 installed. \$3,800 00	2,000 00	
		9,685 83
10 per cent wear and tear on boiler, &c., say on \$5,000. 4 boilers .....	500 00	
		\$10,125 85

By Mr. Sharpe:

Q. Now, that whole account that has been rendered is a statement of the coal purchased by the Imperial Realty Company during that time?—A. Yes.

Q. And consequently that is not a correct statement of the coal that has been exclusively used in the Woods and the Canadian buildings?—A. I beg your pardon, yest it is. It is exclusively used in the Woods and Canadian buildings.

Q. But the Imperial Realty Company have no other buildings to heat besides the Woods and Canadian buildings?—No, sir.

Q. The government heats that themselves?—A. Yes.

Q. Do they heat the Roxborough apartments?—A. They have been heating them.

Q. How long have they been heating the Roxborough apartments?—A. Oh, about three or four months.

Q. And this would include the coal for the Roxborough apartments?—A. No, sir.

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Q. Where is their coal account?—A. I have not got it separately because we have not paid any bills.

Q. Let me see your coal account.

WITNESS produces book of accounts.

Q. Now, taking the last items here, where do you get the \$378.20?—A. That is not paid yet. Neither is the \$232.80. There is \$232.80 and \$378.20 bought in April and not posted yet.

Q. They are April accounts then?—A. Yes. They were purchased in March but not settled.

Q. Your books do not show any purchases made since this item?—A. No, sir.

Q. Where is your coal account for the Roxborough Apartments?—A. I have not paid any of these accounts yet, Mr. Sharpe.

Q. Have you any bill of those purchases?—A. No, sir, not with me, I probably have one in the office.

Q. You say you have been heating the Roxborough apartments for three or four months?—A. Yes.

Q. Consequently you say you haven't paid any of those bills for the Roxborough building?—A. Not that I know of, I may have and I may not have.

Q. You have no entry in your books?—A. No.

Q. Can you turn up any entries in your books?—A. No, I don't think I can.

Q. Will you swear that this coal is not part of the coal that was consumed in the Roxborough building?—A. No, sir, I will not, it may or it may not be.

Q. So that this may not be an accurate statement of the coal account with regard to the Canadian and the Woods buildings?—A. I think it is.

Q. But you do not know whether it is or not?—A. As far as I know it is.

*By Mr. Boyce:*

Q. Who does know, if you do not?—A. Well, I do not know who does, I should know.

*By Mr. Sharpe:*

Q. Well, do you know?—A. No.

Q. Who can we inquire of to find out as to that?—A. Well, I can check it up and give it to you again if you like.

Q. Have you any other items in regard to this?—A. No.

Q. So that this account may contain some coal consumed in the Roxborough building?—A. It may, possibly.

Q. In all probability it does?—A. No.

Hon. Mr. PUGSLEY.—He has not said so.

The CHAIRMAN.—He says it does not, as far as he knows.

*By Mr. Sharpe:*

Q. In all probability these invoices include coal that has gone to the Roxborough building?—A. I say I do not know.

*By Mr. Boyce:*

Q. How can you ascertain?—A. By turning up my vouchers.

Q. Will they show that?—A. Oh, yes, certainly.

*By Mr. Sharpe:*

Q. That will be a matter—if you are recalled, if we do not close this investigation to-day—we would like you to look it up and bring the vouchers. Will you do that?—A. Certainly.

Q. Where is the coal stored for the Roxborough building?—A. On Laurier avenue.

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Q. Whereabouts?—A. Underneath the sidewalk.

Q. Under the Roxborough building?—A. Under the Roxborough building.

Q. Now, have you the contract with the government for heating the Woods and the Canadian buildings?—A. No, sir, I have not.

Q. Where is the contract?—A. I really do not know.

Hon. Mr. PUGSLEY.—It is in the lease, Mr. Sharpe.

*By Mr. Sharpe:*

Q. I do not think that is in the lease, exactly.—A. I think it is in the lease.

Hon. Mr. PUGSLEY.—Yes, so much per superficial foot, I think.

Mr. SHARPE.—Possibly it is.

*By Mr. Sharpe:*

Q. You do not know whether the statement of the heating expenses you have put in covers any other buildings outside the Woods and the Canadian buildings?—A. I think it covers those two.

Q. You do not know whether it covers any of the Roxborough building or not?—A. I do not, I think it covers just those two.

Q. Do you know?—A. I am not certain, I said, I think it does.

Q. Where is your contract with the government in regard to lighting the buildings?—A. Well, I really do not know, Mr. Sharpe, I think that is in Mr. Woods' possession.

Q. Haven't you seen it lately?—A. No, I have not.

Q. Have you a contract with the government for the lighting?—A. I think so.

Q. What is your contract with the government?—A. The same as we charge.

Q. What is that?—A. It is in my evidence last time.

Q. I know, I have just forgotten what the evidence was; there was a little confusion at the last meeting and it has gone out of my head.—A. Who was to blame for that?

Q. Tell us what the contract was?—A. I really do not know because I haven't the contracts, Mr. Woods has all of those contracts in his possession.

Q. What do you charge the government?—A. You have seen the accounts, haven't you.

Q. I mean how much do you charge, in what way do you charge?—A. The regular rate.

Q. What do you mean by the regular rate?—A. The regular city rate.

Q. That is the regular meter rate, is it?—A. Yes.

Q. Has the city any other rate besides the meter rate?—A. Possibly so.

Q. If they have another rate besides the meter rate you would not be right in saying the regular rate.—A. Wouldn't I?

Q. I do not think so. What is the regular rate and how do they sell electricity in the city?—A. By meter.

Q. Do they sell it in any other way?—A. Possibly so.

Q. Do they, or do they not?—A. Well—

Q. You are the witness.—A. You are asking me how they charge, I didn't make these contracts.

Q. I am asking you if you know whether they sell it in any other way besides the meter rate. You can answer that question, you need not be fearful of the results.—A. I am not fearful at all.

Q. Do they?—A. They possibly do.

Q. Do they, or do they not?—A. Possibly they do.

Q. Is that the best answer you can give the committee?—A. I think so.

Q. You know whether they do or do not?—A. I know from hearsay.

Q. Is that the only way you know, from hearsay?—A. Yes.



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Q. When did the Woods Company or the Imperial Realty Company first enter into their contract with the city?—A. I do not know, Mr. Sharpe, when it was.

Q. About when?—A. I think it was some time back, seven or eight years ago, I should imagine.

Q. In 1903?—A. Somewhere about that.

Q. Somewhere about there; how long was the contract made for?—A. I don't know.

Q. You have seen the contract?—A. I have seen it, but do not recollect it.

Q. Was it a yearly contract or was it for a specified term?—A. I can't say exactly.

Q. Has that contract been renewed?—A. I don't think so.

Q. That contract, made in 1903, would only have reference to the Woods building, at that time there was no Canadian building in existence?—A. Well, as to that I have very little knowledge of those contracts, except what I have seen.

Q. You have seen it and read it?—A. I have seen it just the same as you have seen it.

Q. Within the last few days, and it had nothing to do with the Canadian building, the original contract?—A. Well, if the Canadian building was not up it had nothing to do with it.

Q. Well, it wasn't up in 1903?—A. No, it was not.

Q. I know it has only been built two or three years. Are you taking more electricity from the company now than you did under the original contract in 1903?—A. I don't know.

Q. Well, in a general way can you tell us?—A. No, I cannot.

Q. You cannot tell us?—A. No.

Q. Was that contract made on a meter rate or a flat rate?—A. Well, I don't know.

Q. Do you mean to tell the committee that you don't know whether the original contract for the Woods building was made on a meter rate or a flat rate?—A. It may have been made partly meter and partly flat.

Q. Why do you say it may have been, do you know whether it was or not?—A. Because I don't recollect the terms of the contract; I have not got the contract with me.

Q. Do you mean to say that having perused it lately you cannot tell whether the original contract—?—A. But you perused it lately too.

Q. Yes, part of it, but I am asking you, and I don't want any questions from you because I am not in the witness box; you are the one who is here to answer questions?—A. Have I to answer as to this contract, Mr. Chairman?

The CHAIRMAN.—You are not called upon to do so, at least, I won't ask you to do so.

Mr. SHARPE.—I did not ask you to give a ruling, Mr. Chairman.

The WITNESS.—Well, I am asking the question from the Chairman, and I want to know.

Mr. SHARPE.—We might perhaps take up the question of the admissibility of that contract at the present time.

The CHAIRMAN.—That is the one I ruled upon the other day.

Mr. SHARPE.—That is the one you tentatively ruled upon. You ruled one way, and then recalled the ruling and ruled the other way.

The CHAIRMAN.—The fact was that when you got that contract I was under the impression you were getting the contract with the government, and I ruled you were entitled to see it. I did not rule you were entitled to have the contract now in question produced.

Mr. SHARPE.—Before you make a ruling I desire to say— and I wish to have my observations taken down—in reference to this, that the object and purpose of this com-

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mittee is to investigate these payments and see whether the government is paying a fair, reasonable price or not. If we were only restricted to an inquiry as to what the government was paying the Woods Company, or the Imperial Realty Company, we could find out without any investigation of this committee.

The CHAIRMAN.—Yes, I think you could.

Mr. SHARPE.—We go to the Auditor General's Report and we get that information. Now we have to ascertain in this committee whether the account is fair and reasonable or not, but how can we do so until we discover what the first cost is. It is not the cost to the government which determines whether the price is fair or reasonable; it is the first cost to the man who sells to the government, and it has been held time and time and again in this committee that we are entitled to know the price that the parties paid for lands and articles and other things that were sold to the government. That has been held repeatedly. It was so held last session in reference to the purchase of leather belting in the case of the wholesale man who sold to the middleman, as he is commonly called. The wholesale man gave his price at which he sold to the middleman, and we got the price the middleman paid and the price at which he sold to the government, and we found out in that way what profit the man was making. The same question arose in the case of the question of sub-targets by the government. The cost of manufacturing the sub-targets was allowed to be inquired into and what the government had to pay for them in order to show whether the government was paying a reasonable price or not. Then as to the cost of construction of these very buildings, you, Mr. Chairman, allowed me to inquire into it. You allowed me to recall the contractors and investigate the nature of their contracts, and as to the cost of construction and all that and as to whether the prices paid were fair and reasonable. That is an exactly parallel case; we are endeavouring to find out what is the cost to the Woods Company or the Imperial Realty Company of the electricity which they are selling to the government. That we have the right to make such inquiry has been repeatedly held in this committee. Otherwise the whole thing would be a farce.

The CHAIRMAN.—I do not think the cases are quite parallel, Mr. Sharpe.

Mr. SHARPE.—I submit we cannot tell whether the price charged the government is fair and reasonable until we find out what the Imperial Realty Company are paying.

The CHAIRMAN.—With respect to the purchase of belting which was before this committee last session, it transpired that the hardware people have a peculiar way of rendering their accounts. They put in an account for so much and then allow sixty per cent off, and ten per cent off, and again ten per cent off. In that particular case the man in charge of a warehouse had given an emergency order. His place had been burned down and he had given a rush order. The middleman rather fooled him about the invoices. He was perhaps a man who had not had much to do with hardware and might readily make a mistake. The middleman instead of following the old-fashioned plan, which was in vogue a hundred years ago, and cutting off sixty per cent and so on, only gave a discount of ten per cent, and the consequence was that the man in charge, who didn't understand the matter, paid a price he ought not to have paid. In my opinion there was an element of fraud about it.

Mr. SHARPE.—Then you will remember the Merwin contracts and the sale of land at Moncton. They were all inquired into in this committee. And it was held that we were entitled to find out what was paid for land or for articles supplied, and the witnesses were accordingly directed to answer what they had paid for the land or articles which they had sold to the government.

The CHAIRMAN.—I was not here then.

Mr. BOYCE.—Is not the situation just this: this committee is sitting for the purpose of hearing evidence with regard to the fairness of a certain contract and as to the prices charged the government. Now, take for instance, the Wallberg case with which I am very familiar, because I conducted that investigation. There

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was a contract made by the Department of Railways and Canals for the delivery of five locomotive cranes at \$5,600 apiece—a straight contract absolute upon the face of it—and the evidence disclosed this state of facts: after the making of that contract, the contractor had made arrangements with some Cleveland firm for the purchase of these locomotive cranes intact, to be delivered at Levis, where they were to be erected and a man furnished to erect them. The whole question then turned upon what rake-off, as it is vulgarly called, the contractor was getting between the price he bought the cranes for and what he had charged under his contract with the government. There was not very much argument before the then chairman because he directed the witness to answer the question as to what he bought the cranes for, so as to enable the committee to judge whether the profit he was making upon the transaction was a fair and reasonable amount. There was exactly the same situation with regard to the Merwin transaction where the government bought supplies under contract with the middleman, who in turn bought the goods from another man. It was the same with regard to the purchase of the Pearson property at Halifax and the property at St. Boniface, near Winnipeg, the latter being required for the Trans-continental railway. The same too with numbers of other cases which were investigated by this committee. It is a principle which has been acceded to time after time; and, as my friend Mr. Sharpe says, if we are not going to get at these figures we have simply to take the Auditor General's Report and the contract with the Public Works Department and we are bound by that.

The CHAIRMAN.—If I remember the Wallberg case—I was not here at the time—it was one in which tenders were called for these machines and the Wallberg tender, being the lowest was accepted. Afterwards Mr. Wallberg was examined in this committee compelled to state the prices which he had paid. Now, I must say, that if I had been Chairman then I would not have allowed that question to be asked.

Mr. BOYCE.—That was not the case. There were several Wallberg contracts covering different articles, but in the instance to which I have reference it was simply a case of what the man was paying for the articles he was selling to the government.

The CHAIRMAN.—Was that by tender or otherwise?

Mr. BOYCE.—It was by tender. Wallberg's tender was worked out as being the lowest.

The CHAIRMAN.—Suppose you call for tenders in the open market and a man gets the contract. Have you any right to go behind his tender?

Mr. BOYCE.—I think so, otherwise the functions of this Public Accounts Committee are set at naught.

The CHAIRMAN.—That is a matter of tender.

Mr. BOYCE.—Not a matter of tender but a matter of bona fide.

The CHAIRMAN.—If you can bring in a question of fraud of course that is another matter.

Mr. CROSBY.—But you cannot get at the fraud until you have an opportunity of investigating it.

The CHAIRMAN.—In this particular case before us the witness swore positively that his company only charged the government the regular market rates with ten per cent off.

Mr. SHARPE.—That is for us to see whether it is so or not.

The CHAIRMAN.—The witness swears that positively. He also said that away back in 1903, the Woods Company, the predecessors of the Imperial Realty Company, entered into a contract with the city of Ottawa—as a corporation supplying light and power—to supply them with light and power. They were carrying on a manufacturing business and they evidently had a special contract. When they put up this building which we are now considering, their contract was still in existence and they probably got light and power for less than they were selling light to the government for. They seem to have got a good bargain six or seven years ago and they are furnishing



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light to the government at the same rate that other citizens are paying. And more than that, he went further and said that they tried to get a similar contract later and they could not get it.

Mr. BOYCE.—He didn't say that.

The CHAIRMAN.—Yes, I think he did.

Mr. BOYCE.—The whole question turns upon whether they are charging a fair price for that light, contract or no contract.

Hon. Mr. PUGSLEY.—Pardon me, isn't this the evidence, that the government is simply charged the ordinary city rates for light; with 10 per cent off.

Mr. BOYCE.—Assuming that it is so——

Hon. Mr. PUGSLEY.—Now then, if Mr. Woods had an old contract with the city in connection with all the different buildings and factories which he had, is that a matter for this committee to go into? Of course if the chairman thinks that it is something requiring investigation, that the government paid the ordinary city rates when it should have got it for less, that might be another matter; but it seems to me where the government pays the ordinary city rates, charged to ordinary citizens, with the discount off, and this was the bargain that the government agreed to pay those rates, that would not be regarded as such an unreasonable bargain as to require investigation by this committee. That is the way it strikes me.

Mr. SHARPE.—That is my argument, that it is an unreasonable bargain.

The CHAIRMAN.—Take the case of this kind that a man sells lumber which is now worth three times as much as he bought it for several years ago. Because it is worth now more than he paid for it some years ago if he sells it at the regular market price can you go behind that to inquire what he paid for it two or three years ago.

Mr. BOYCE.—That would be a matter of argument. I think the statement by the minister practically supports the proposition we are advocating. Were a reference to the contract itself possible you would find that the contractors were charging city rates, which is a representation to the government that they are getting the rates that are charged, the fixed, the standard rate, but you find the contractors going behind that rate, and they are getting a rake off under the rate which is open to any one. Taking that I attempt to show there was an overcharge, or a misrepresentation to the government, and that that account is untrue.

The CHAIRMAN.—He is not getting a rake off, he bought this lighting a number of years ago, seven years ago, and he is selling it at market price now.

Mr. BOYCE.—How do you know that?

The CHAIRMAN.—Because it is sworn to.

Mr. SHARPE.—You won't allow me to question him on that.

The CHAIRMAN.—You can question him on what is the ordinary price, but you can't go beyond that.

Mr. BOYCE.—It is a matter that has been decided here very often, and accepted as a well known principle in the Public Accounts Committee. Can you distinguish any difference between the case that I was speaking of where with reference to a contract a man is compelled to state what he paid for a certain article in order to decide whether the price charged is fair and just?

The CHAIRMAN.—Yes, I think you can in that case, but when you go into a contract that was made seven or eight years ago, where these people made a contract for the supply of light and power and which they may object to produce, as I remember they did object to produce this contract, I do not think you should be allowed to go into that.

Mr. RHODES.—Assuming that that is the case, and that under this old contract the Imperial Realty Company got their light cheaper, upon what principle do you prohibit the question being put at the present time? To my mind it is absolutely on all fours with hundreds of other questions that have been asked in the Public Accounts Committee; in fact the *lights* in this committee, if I may use the term,

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have risen over this very question and it has been threshed out time and time again. Take the Lymburner Case last year, it was absolutely the same.

*By the Chairman:*

Q. That was the case about the belting?

Mr. RHODES.—Yes, that is absolutely the same.

Hon. Mr. PUGSLEY.—It seems to me, if Mr. Rhodes will pardon me that this is the way of it, that the government agreed with Mr. Woods they would allow him to do the lighting and that they would pay him the ordinary city rates for lighting.

Mr. BOYCE.—That is a very good bargain for him.

Hon. Mr. PUGSLEY.—The ordinary city rate for lighting which is charged to all citizens with 10 per cent discount. Now you seek to show if you can that a good many years ago Mr. Woods made some agreement, he was carrying on a large manufacturing industry, under which he was to enjoy a different rate, some flat rate. I know nothing about that, I am leaving that out of the question, and therefore you want to know whether Mr. Woods hasn't now some exceptional arrangement with the city by which he gets a flat rate. Is that relevant to this inquiry?

Mr. RHODES.—I do not know anything about that at all. I ask this abstract question how does the chairman distinguish this from any other case? He states there may have been an old contract upon which the Imperial Realty Company may have had a reduction from the city rates; we do not know whether that is true or not.

The CHAIRMAN.—It is true, it has been proved here, and it is not disputed, that Mr. Woods charged the government the ordinary rate which the electric company is charging to all citizens.

Mr. RHODES.—That is the very question we want to go into.

The CHAIRMAN.—There is no objection to asking that at all. All you have to prove is the ordinary city rate, with 10 per cent discount.

Mr. RHODES.—We are putting a Combines Act through the House of Commons at the present time; that Act would be useless if you carry out in connection with its enforcement this same idea of going into the open market in order to prove the price of an article. That Act is put upon the statute-book in order to find out the true value of the article, which you cannot do by going to the open market.

Hon. Mr. PUGSLEY.—If you can show that the government has been paying to Mr. Woods anything more than the ordinary city rate, with 10 per cent discount, you would be able to make an important point, and to show that the government had made some improvident or unreasonable bargain with Mr. Woods, but as I understand it, you do not propose to do that.

Mr. RHODES.—We might bring in witnesses here to show that everybody in the city of Ottawa is paying the same rate as the government, but that is not the point; the question is as to the value. You may be paying two prices in the city of Ottawa, but that is no reason why the public should pay it.

Hon. Mr. PUGSLEY.—Isn't that evidence of value if everybody else pays it?

Mr. RHODES.—If it is, why do you put this Combines Bill through the House; that is the point.

Mr. BOYCE.—Does the minister think that when it is represented to the department that the department is being charged the standard rates, when it is not, that it is not competent for me or for this Public Accounts Committee to inquire whether it is misrepresentation of facts or not? That is all we want to inquire into.

Hon. Mr. PUGSLEY.—There is no question as to that.

Mr. BOYCE.—Yes, that is the question right here.

Hon. Mr. PUGSLEY.—What I understand you want to show is that Mr. Woods has been making some profit out of this arrangement with the government, because a number of years ago Mr. Woods made a special bargain with the city in which he

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was to get light, being a large customer having a manufacturing industry, that he was to get light at some lower rate.

Mr. BOYCE.—Exactly.

Hon. Mr. PUGSLEY.—If I understand the chairman's ruling, you can't do that. Because the government made a bargain with Mr. Woods that he was to do the lighting and charge the government the ordinary city rate, less 10 per cent. Now, then, it seems to me the Chairman's ruling is entirely correct. Of course, if upon the evidence he can show that is an improvident bargain for the government to make, that the government has been paying something unreasonable, a larger price than is charged the ordinary citizen, you can do that, of course.

Mr. RHODES.—Carry your argument a little further. We know, as a matter of fact, that in the case of contracts for the purchase of timber, or any commodity in the open market, in certain places where local conditions arise, and there are only two or three people who can tender, they put their heads together and they say, 'We will tender at such and such a figure,' raising the price 25 or 50 per cent.' I have known in my own experience many cases of that kind are occurring everywhere. Apply the argument of the minister to that case, and that would be a fair price because it is the price ruling in the community.

Hon. Mr. PUGSLEY.—This is the price paid by 80,000 citizens.

Mr. RHODES.—Even that is not the measure of the value.

Hon. Mr. PUGSLEY.—Why not?

Mr. RHODES.—Otherwise this Combines' Bill is of no value, there is nothing to be gained by putting it there; that may be the price that is being paid here, and yet this Combines' Bill has been passed for the very purpose of enabling the proof to be obtained that the price paid in the open market is too high. If the department is getting fair value what is the objection to the facts being brought out?

Hon. Mr. PUGSLEY.—But it is fair value. It is what the other 80,000 people in the city of Ottawa also pay.

Mr. BOYCE.—Would the minister apply that test to a combine? He would not say that in his place in the House.

Hon. Mr. PUGSLEY.—We are talking about combines.

Mr. BOYCE.—We are talking about combines now. The minister would not, in his place in the House and speaking upon the Combines' Bill, make the same proposition as he is making now in the Public Accounts Committee.

The CHAIRMAN.—This is a case in which the Woods Company went into a contract with the city a good many years ago. The former were manufacturing and they got power and light both.

Mr. CROSBY.—Why should we not get this information?

The CHAIRMAN.—Because we have no right to go into their private business.

Mr. RHODES.—As between individual citizens it may be true that the price paid for electric light in the city of Ottawa is a fair test of its value but that does not apply to the government of the country.

The CHAIRMAN.—Why not?

Mr. RHODES.—Because it is open to the government to go into electric light business just as much as it is to any individual or any city, and, as a matter of fact, there is no reason in the world why the government should not light its own buildings.

The CHAIRMAN.—That may be.

Mr. CROSBY.—I am not an authority on legal points—

Hon. Mr. PUGSLEY.—You do pretty well.

Mr. CROSBY.—Yes, if I had my friend's suavity. Are you sitting here, Mr. Chairman, as judge or chairman of the Public Accounts Committee? In which position are you sitting here?



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The CHAIRMAN.—I am sitting here as Chairman of the Public Accounts Committee, and I have allowed extraordinary latitude all through the present session. Had I been sitting in a court I would not have given such latitude.

Mr. CROSBY.—If you were a judge on the bench you could not hold matters down more closely than you are doing now. I have some idea of the business end of this matter and I have listened to the witness giving evidence, and I, for my part, cannot understand what it means at all. Where a gentleman is asked about something he has sold or bought three months ago and says he has no knowledge, that makes me very suspicious.

Hon. Mr. PUGSLEY.—That is not what we are discussing now.

Mr. CROSBY.—You are not the chairman.

Hon. Mr. PUGSLEY.—I appeal to the chairman. We are discussing the admissibility of certain evidence.

Mr. CROSBY.—You have been as far away from the question as I have then. To my mind there is no use in any business man, or any other man, coming here and discussing things unless he can get at the facts. As Mr. Sharpe and other gentlemen have already said, it is our duty not only to ascertain what the government are paying, but to go behind that and find out what these gentlemen who are selling light to the government are getting it for. The government can say they are getting light at the city rates, but every business man knows that is based on the volume of business. Everybody knows that a man who is buying one hundred thousand or half a million dollars worth of goods can buy on better terms than the man who is only buying \$50,000 worth. And, as Mr. Rhodes has already stated, the government could go to work and establish an electric lighting plant of their own; there is nothing to prevent them, but a private citizen could not do that because he would have to come and obtain a charter before doing so. We want to find out whether in this case the government is paying a fair price. I do not care whether it is the same rate that other citizens are paying, who perhaps pay only fifty or a hundred dollars a year. We are here to ascertain whether this light could not be got for less money. How are we going to find that out if we cannot go into the contract which the Woods people have with the electric lighting company? Is it fair or reasonable that we should be debarred from getting that information? I think if you were to go before the people and tell them that you shut out questions of this kind they would not think as well of you as I do. I repeat, we are here to find out what this company pays for the light they are supplying and whether the government could not get their supply for less money; we are here to find out whether we are not permitting some middleman to step in between the government and the electric light company and get what is commonly called a rake-off, or some such advantage. I think, Mr. Chairman, that you, having sat upon the bench for some years as a judge, may be inclined, for legal reasons, to rule out questions of this kind that should not be ruled out. We must have some latitude in this committee.

The CHAIRMAN.—That is right, and I have given a great deal of latitude all through this session.

Mr. CROSBY.—Do you mean to tell me if we come here and ask what this company is paying for its light that we have no right to do so? What harm can it do? If the thing is all right, well and good. If it is not right, then we ought to know it. If the government could go and buy light as cheaply as they could get it if they went directly to the municipal lighting plant, would that not be satisfactory to all of us. If we discover the thing is all right, and I hope such will be found to be the case, then everybody will be satisfied, but I say you cannot get to that point unless you permit—

Hon. Mr. PUGSLEY.—It is not a question of permission. It is a question of whether you will force a witness to disclose the private affairs of this company.

The CHAIRMAN.—That is the point.

Mr. CROSBY.—I am not asking to disclose their private business; I have not the

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slightest doubt in the world that this is not private business. There may be some other way of getting at the facts, but this is the way of finding it out. I have no doubt at all you could go to work to-morrow and discover a dozen concerns who are getting a cheaper rate than the regular rate which the ordinary consumer in Ottawa is charged. Nevertheless, this is the proper place for us to get at the facts, but we cannot get them if the chairman rules we are not to go any further. Then, if we appeal from the chairman's ruling and the majority of this committee sustain that ruling, we are debarred from finding out what it is desirable should be found out. I appeal to the chairman not to thwart the purpose of this inquiry. I appeal to him not to make a ruling that will in the slightest possible degree prevent this committee from getting all the information that it is possible for them to get.

The CHAIRMAN.—This is a contract made some years ago with the Woods Company and had nothing to do with the government as far as we know, and the intention was at that time to carry on a large manufacturing business here.

Mr. SHARPE.—We have no evidence of that.

The CHAIRMAN.—I beg your pardon.

Mr. SHARPE.—Just manufacturing. Not a large manufacturing business.

The CHAIRMAN.—Well, manufacturing then.

Mr. SHARPE.—I don't want you to make a ruling until I have had an opportunity of saying a few more words.

The CHAIRMAN.—I was referring to what Mr. Crosby was saying. I am not going to make a ruling without hearing you first. The Woods Company made a contract some years ago when they were carrying on a manufacturing business here, a contract for light and power, in which they got special privileges from the city of Ottawa, because they are dealing with the city of Ottawa.

Mr. SHARPE.—Excuse me just a moment. The city of Ottawa did not own the plant at that time. They made the agreement with the Consumers Company, a different concern altogether, and they have since renewed their contract with the city of Ottawa.

Hon. Mr. PUGSLEY.—That does not make any difference.

Mr. SHARPE.—Yes, it does, because they renewed the contract with the city of Ottawa and we could have got the same contract.

The CHAIRMAN.—Whichever way it was they entered into that contract seven years ago and the evidence is they tried to enter into a similar contract again and could not get it—that is the evidence with regard to the Roxborough building—but the original contract is outstanding. That is the case.

The WITNESS.—Yes.

The CHAIRMAN.—The Imperial Realty Company could not get a similar contract made, but the old contract is outstanding and under that light is supplied to the Woods and Canadian buildings. They are supplying light to the government at the current rate which is charged in the city for electricity. They object to having their private business exposed to the public under these circumstances, and I think they are justified.

Mr. CROSBY.—Surely you do not mean to tell me that they have a contract with the city of Ottawa which is a private contract, that that contract within the city of Ottawa must be regarded as private? There cannot be any privacy with a contract of that kind.

The CHAIRMAN.—These people say they object to exposing this contract.

Mr. CROSBY.—I don't care what they say about it.

The CHAIRMAN.—If you go to the city of Ottawa and they like to give it to you, you can do so.

Mr. CROSBY.—If you are going to shut us off from getting that information here I am quite sure we can get it elsewhere.

Hon. Mr. PUGSLEY.—Don't you think you ought to accept the ruling of the Chair.

Mr. CROSBY.—He has not ruled.

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Hon. Mr. PUGSLEY.—Yes, he has.

The CHAIRMAN.—If the city of Ottawa came here and said they did not wish to give that contract, I would back them up and sustain them in their objection.

Mr. CROSBY.—Then you would make a combination with the city of Ottawa against the people of the Dominion of Canada and prevent the representatives of the people of the Dominion of Canada from getting the information that they desire to obtain on matters of public business that they are here for the purpose of dealing with.

The CHAIRMAN.—When you talk about combines there is no difficulty in getting information, whether it is a fair price or not, but in this case they are charged the fair market price.

Mr. CROSBY.—Then you shut us out from knowing what the contract is with the city of Ottawa.

The CHAIRMAN.—They take objection to disclosing their private business, and I back them up in it.

Mr. CROSBY.—You are the one who decides whether or not we shall ask them what the light they are selling to government cost them.

The CHAIRMAN.—I am perfectly willing to let them say if they desire to do so, but when the matter comes up and they appeal to the chairman whether or not they are bound to disclose their private contract, then I will not compel them to do so.

Mr. CROSBY.—Then, Mr. Chairman, the whole question comes to this, that you are going to prevent us getting from the Woods Company what they are paying the city for the light they are selling to the people of Canada for a certain sum, and you are going to prevent us from asking questions to show that they are getting that light at less than they are charging the government, which is a disadvantage to the people of this country, and you are preventing us from showing that they are getting more money than they ought to for that service. There can be no other reason for preventing that question being asked, because if they were giving us a fair deal, and if they were giving us the light for the same or less money than we could get it from anybody else, they would not object to give the information.

Mr. SHARPE.—Why do they object to giving us the information?

The CHAIRMAN.—I do not know why they object, but they do object.

Mr. SINCLAIR.—Either the hon. gentleman should accept the ruling of the Chair or should appeal against it.

Mr. SHARPE.—The Chair has not ruled yet.

Mr. SINCLAIR.—Yes, the Chair has ruled a half a dozen times that he sustained the objection of these people, who object to disclose the contents of this private contract made years ago. They object, and the chairman is of the same opinion, that they are not bound to disclose it: he has said that over and over again in my hearing.

Mr. RHODES.—I did not understand it that way, I wasn't here at the previous sitting.

Hon. Mr. PUGSLEY.—The chairman has ruled three or four times to that effect.

Mr. RHODES.—I would certainly apologize to the chairman if I have been arguing half an hour after his decision was given.

The CHAIRMAN.—I told Mr. Sharpe that I would listen, that I would hear him.

Mr. BOYCE.—But have you ruled?

The CHAIRMAN.—I ruled the other day that the contract was not admissible, but I allowed Mr. Sharpe to reopen the matter here to-day, I told him I would hear what he had to say.

Mr. PROWSE.—What is the object of this committee, to find out whether the government is paying too much, or to find out people's private business?

Mr. SHARPE.—If they would allow us to go into the contract we would show them that the government is paying too much, but they will not allow us to go into it.

Mr. RHODES.—The question at issue at the present moment is the admissibility of this evidence.



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Hon. Mr. PUGSLEY.—Not the admissibility, but whether the witness should be forced to disclose his private business.

Mr. RHODES.—As to the relevancy, whether it is a proper question to be put, I must submit with all deference that I am unable to see that you have made any distinction between this case and numerous other cases upon which there have been rulings, it is to my mind absolutely the same, the question of the government paying a certain price per article, you bring the man from whom the articles were purchased here, and you ask him the price he pays for them; it has been done time and time again. Now Mr. Prowse, who is a merchant, naturally is quite indignant that the witness should be called upon to disclose the private business of his company, but that objection is always heard, and if we allowed that objection to have any force in this committee we would never get any further with our inquiry. Speaking to you as a judge and a lawyer, I can perhaps understand that the strict rule of evidence would be that the value of the article would be determined by the price in the community; I think, perhaps, as a question of law, that is right, that you would establish the value of an article by the price which you would pay for it in open market. I must say that I think that rule was right in the days before combines existed, that the price at which an article stood in the open market indicated the proper and fair price for that article. However, I am getting a little far afield in that argument, but I fail to see upon what principle you make a distinction between the present case and the Merwin case, the Sub-Target Machine Gun case, and the Lymburner case last year. In each of those cases we called upon the witness to say what he paid for the article he supplied to the government.

The CHAIRMAN.—They have raised the objection to showing a private document.

Mr. RHODES.—They always do that.

The CHAIRMAN.—And the contract was made years ago.

Mr. RHODES.—I think what we should have in our minds here is to serve the public interest, especially in such matters as are in the public interest and which should be shown up, having at the same time regard for private rights and dealing fairly with the citizens of the country.

The CHAIRMAN.—That is right, I agree with that.

Mr. RHODES.—But the public have certain rights and we must try to conserve those rights, at the same time leaving to individuals such rights as they should have. But we must not bow to their objections, because if we do we would never get on, in the world.

The CHAIRMAN.—Take this case, for instance, supposing the government wanted to buy an old master for their gallery, there is a case in point, a work by one of the old masters was discovered the other day in Halifax, and it is supposed to be worth \$100,000, and it was bought a few years ago for probably a few thousand, or a very small sum, would the fact that a small amount was paid for it—

Mr. RHODES.—There is a great deal of difference between an old master and electric light, the price of an old master is to be determined by putting it up in the open market and people bidding on it.

The CHAIRMAN.—And if you bid it in in that way and it came up here would you want to know what they paid for it in order to determine its value? I know I am going to the extreme, but take the case that I put before, supposing that a few years ago a man bought lumber when it was cheap, and sold it to-day at the market price.

Mr. SHARPE.—He could defend the transaction.

Mr. RHODES.—That is all right.

The CHAIRMAN.—Here is a company which says, we made a contract years ago, seven years ago—

Mr. SHARPE.—We admit all that.

The CHAIRMAN.—‘which we entered into’—he did not say they had special privileges—‘for light and power in our manufacturing, but we object to exhibiting that

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to the public.' And they go on and say further: 'We are supplying that electricity at the regular market price.'

Mr. SINCLAIR.—And unless the honourable gentlemen say that the price we are paying for this electric light is an exorbitant price I do not think there can be any reason why that should be disclosed.

Mr. SHARPE.—I say that we are paying an exorbitant price.

Mr. SINCLAIR.—If we insist upon the disclosure of the contract simply for the purpose of discovering a man's business and prying into his affairs, we have no right to do it, but if there is any public interest to be involved, if we are paying too much for the light, more than we ought to pay for it, then I would say that the question ought to be asked, that it was a relevant question, but as I understand it hon. gentlemen do not allege that we are paying too much, and no man who knows anything about the price of electric light in Ottawa will object to the price.

Mr. RHODES.—In answer to Mr. Sinclair, who was not here when I touched upon this question earlier in the proceedings, I submit in the first place it is not competent and it is not necessary that members of parliament should go into the Public Accounts Committee and say to an individual who is brought before it, 'You are a criminal, you are a thief, you are robbing the public.' That is not the point at all. I don't think that is the function of the Public Accounts Committee. It is for us to inquire into the matter and assume that the man who is doing business with the government is doing business honestly and fairly. We should follow the old principle of British justice, that a man is innocent until he is proven guilty; and therefore we ask that Mr. Woods, or the Woods Limited, or the Imperial Realty Company, should come here and show us that they are doing business on a proper basis with the government. It is not for us to allege that the government is being cheated at all.

Hon. Mr. PUGSLEY.—Now, Mr. Rhodes, will you let me ask you a question: the government made an agreement with Mr. Woods that they would furnish the electric light and do so at identically the same rate that is charged to the citizens of Ottawa generally with 10 per cent discount. That is the bargain we have made. Now then, does it throw any light upon that for you to compel—or for the Chairman to compel—Mr. Woods' secretary to show that some seven years ago they made a bargain with the electric light company under which they got a favourable rate. How is that material to the question?

Mr. RHODES.—Let me say in answer to that question: I don't know how business is conducted in Ottawa in the electric light circles, but I do know that in several cities in the Dominion the big consumer gets his light at from one-third to one-half less than the ordinary consumer, and the government, which perhaps is the largest consumer in the city, should be able to get it for that much less again.

Hon. Mr. PUGSLEY.—That is another matter.

Mr. RHODES.—That is all introduced into the same matter. Why should we get the ordinary city rates for large quantities? We have a right to get a flat rate from the city in the same manner as the Imperial Realty Company. Now, in answer to Mr. Sinclair, it is not competent for us to go into the open market and inquire what electric light is sold for because in the city of Ottawa they might charge four or five prices.

Mr. SHARPE.—I would suggest we take a ruling on the question of the admissibility of this evidence, as to whether you will compel the witness to produce the contract. I want to proceed with my examination of the witness.

The CHAIRMAN.—I will not compel the witness to produce that contract

Mr. SHARPE.—Then I desire to appeal from your ruling.

Hon. Mr. PUGSLEY.—Before doing that—

Mr. SHARPE.—You cannot discuss that.

Hon. Mr. PUGSLEY.—Oh, yes, we can discuss it. Mr. Sharpe must not think he will get a snap vote now that he has sent out for a number of his friends to come in.

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Mr. SHARPE.—The same as Mr. Sinclair sent out for a number of your friends to come in. He brought in Mr. Congdon and a number of others.

Several Honourable Members.—Question! Question!

Hon. Mr. PUGSLEY.—Wait a moment, do not be unruly.

Mr. SINCLAIR.—This is not a new question. This is a question that has been up before this committee a great many times, and if you look into the records of the committee for the past twenty years you will find that it has been decided over and over again that unless some public interest could be served by compelling people to disclose a contract of this character, the question should not be asked.

Mr. BOYCE.—May I ask you a question on that point. I have heard you speak of that before: a contract is awarded to the lowest tenderer by public advertisement, would you say the principle should apply in that case so as to compel a witness to say what he paid for a certain article for which he was the lowest tenderer and which he supplied to the government.

Mr. SINCLAIR.—I would if there was something manifestly wrong about it. I don't think you would have any right to do it.

Mr. BOYCE.—I tell my honourable friend that bears out exactly what I said before, he has not listened to this argument.

Mr. SINCLAIR.—Certainly I have listened to the argument.

Mr. BOYCE.—He has not listened to the whole of the argument, and I venture to say he has not heard the answers, reported in the Public Accounts Report, where the very thing he says should not be done now has been done time and time again.

Mr. SINCLAIR.—I have dozens of copies of the report on my desk in the chamber and if you wait a moment I can bring them here, showing decidedly the opposite, showing motions voted upon by my friend from East Grey and all the stalwarts on the Conservative side of the House, in which they upheld this principle: that unless there was a public interest to be served the question was not a relevant one. Now, there is not a single man in this committee who will seriously say there is too much pay for this light.

Mr. SHARPE.—If a man would say that would he be entitled to go into the contract.

Mr. SINCLAIR.—If a man would say that he would say it as his belief.

Mr. SHARPE.—I will say then, on my responsibility as a member of the House, that under the existing provisions of those contracts we are paying an exorbitant price for this light.

Mr. SINCLAIR.—You say we are paying an exorbitant price for the light?

Mr. SHARPE.—Under the existing provisions that appear on the face of the contract.

Mr. SINCLAIR.—Notwithstanding the fact that you are well aware the light is supplied at the ordinary rates that prevail in the city of Ottawa.

Mr. SHARPE.—Now, will you let me go into the contract?

Mr. SINCLAIR.—Notwithstanding that fact and the fact that there is a 10 per cent discount you still say on your responsibility that you think we are paying too much?

Mr. SHARPE.—Yes.

Mr. SINCLAIR.—And that the government have made an improvident contract in this case?

Mr. SHARPE.—Yes.

Mr. SINCLAIR.—I don't think you are in earnest.

Mr. SHARPE.—You have not properly stated the facts.

Mr. SINCLAIR.—What is wrong in my statement of the facts?

Mr. SHARPE.—I will tell you what is wrong in your statement of the facts. Each household pays a meter rate in some cases, and in some cases they pay a flat rate. Now, the government are paying entirely on a meter rate, whereas the company is purchasing from the city of Ottawa on a flat rate.

Mr. SINCLAIR.—You are quite at liberty to show the rate the government is paying on their buildings.

Hon. Mr. PUGSLEY.—What strikes me is this: It would be quite open to Mr.



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Sharpe to show that for the lighting of a building like the one we are considering, the government is paying more than the ordinary citizen pays. If he could show that it would be a different matter. But as I understand, what Mr. Sharpe wants is to have the Chairman compel this witness to disclose the private arrangement made by Mr. Wood's company a number of years ago with the Consumers Electric Company to which the city is successor.

Mr. SHARPE.—And renewed within the last three years.

Hon. Mr. PUGSLEY.—Surely that is not relevant in view of the fact——

Mr. CROSBY.—What is the good of discussing it now that the chairman has ruled?

Hon. Mr. PUGSLEY.—Wait a moment.

Mr. CROSBY.—You have no right to discuss this now that the chairman has ruled.

Hon. Mr. PUGSLEY.—Yes, we have a perfect right to discuss it.

Mr. CROSBY.—I beg your pardon.

Hon. Mr. PUGSLEY.—At the request of Mr. Sharpe the matter was left open.

The CHAIRMAN.—My ruling has been appealed from.

Hon. Mr. PUGSLEY.—Mr. Sharpe requested that the matter should be left open.

Mr. SHARPE.—Not since the chairman's ruling, but I am going to have something to say after you get through.

Hon. Mr. PUGSLEY.—The difficulty with our friend Mr. Crosby is that after he makes a speech he thinks the subject is exhausted, and if anybody speaks after that it is simply waste of time.

Mr. CROSBY.—I did not mean that. I think, in the first place, there is no more to be said.

Hon. Mr. PUGSLEY.—I thought that was your view, that after you had spoken the subject was exhausted. Now, Mr. Chairman, it does seem to me that the point is this: The government made an agreement with Mr. Woods that he should furnish the the size of the Woods building, get a better rate let him call somebody from the city of Ottawa, that we should pay the ordinary city rate, with 10 per cent discount. Now, if Mr. Sharpe can show——

Mr. SHARPE.—Pardon me, everybody else gets the 10 per cent discount.

Hon. Mr. PUGSLEY.—That is for prompt payment. That is the ordinary city meter rate. Now, then, if Mr. Sharpe can show that ordinary citizens for buildings the size of the Woods Building, get a better rate let him call somebody from the city to prove that the government has made an improvident and unreasonable bargain, that the bargain we have made with Mr. Woods is not a reasonable bargain, and that we are paying more than any other citizen would have to pay under similar circumstances.

Mr. BLAIN.—If there is nothing wrong why not let him produce it?

Hon. Mr. PUGSLEY.—He will not produce it, and the question is shall we force Mr. Linton to produce a private contract between Mr. Woods and the Consumers' Electric Company made some years ago.

Mr. BLAIN.—Do you know what the contract is?

Hon. Mr. PUGSLEY.—I do not know what the contract is, the question is whether we in the discharge of our duty as a committee would be right in forcing Mr. Linton to produce that contract; I do not think we would. But it is quite open to Mr. Sharpe to show that other persons could get better rates than that, at all events than we are getting upon this building, but he does not seek to show that. What he seeks is to force Mr. Linton to produce a private contract which was made some seven or eight years ago and which is being carried out to-day.

Mr. RHODES.—I would like to ask the minister if he does not think that about 95 per cent of the evidence given in the courts of law is produced from unwilling witnesses, or a very large per cent of it, at all events?

Hon. Mr. PUGSLEY.—That has not been my experience, no.

Mr. SHARPE.—Well now, the hon. minister has not stated the case fairly, because he says that this is an old contract with the Consumers' Company made some 8 or 9 or 10 years ago.

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Hon. Mr. PUGSLEY.—Made some seven years ago, so the witness swore.

Mr. SHARPE.—That is only the contract in reference to the Woods building, the contract in reference to the Canadian building was only made two or three years ago, and I want to go into the question of the reasonableness of that contract, and I state, as I stated before, on my responsibility as a member of this House that that was an improvident contract made by the government in regard to the heating and lighting of the building, and if I am to be permitted to go into this contract I will show that one of the contracts is based on a flat rate and the other on a meter rate, and that we are paying an exorbitant rate. Having stated that on my responsibility as a member of this House I think I should be allowed to prosecute this inquiry.

The CHAIRMAN.—You have a perfect right to show that the government is making an improvident bargain, but I do not think you have the right to compel this witness to produce private contracts.

Mr. SHARPE.—Very well, I will appeal against your ruling.

The CHAIRMAN.—You have heard the ruling of the Chair?

Mr. BLAIN.—I have always understood that the desire of the committee and of the government was to get at the full facts, that is my understanding of the objects of this committee.

Hon. Mr. PUGSLEY.—But not to indulge the curiosity to pry into the private affairs of people.

Mr. BLAIN.—Well, I remember very well in the Merwin case, that has been mentioned, I presume in my absence in the House, I remember very well that when Mr. Willson, who sold Mr. Merwin the goods, was put upon the witness stand, having sold the goods to Mr. Merwin the middleman, the question was asked Mr. Willson, 'How much did Mr. Merwin pay you for those goods?' And the other side said, 'You must not answer that.' We thought that was hardly fair, when this gentleman was standing between the producer and the government and taking enormous profits, about 155 per cent in some cases. What happened? When this gentleman was brought back on that question he produced his books, and showed what Mr. Merwin did pay for the goods, and when that was done we were quite satisfied. It seems to me we should get at the very bottom of this, and I am very much surprised that the Minister of Public Works would not assist the committee in doing so. I have always understood when we had the ministers coming up personally to the Public Accounts committee they always told us they were here for two purposes, one was to protect the government and the other to protect the people particularly, with the emphasis on the protection of the people. Surely my hon. friend has not given all his attention to one side and forgotten altogether the people's interests. I would be very much surprised that the Minister of Public Works would not assist us in getting at the very bottom of this case, no matter what happened.

Hon. Mr. PUGSLEY.—The Minister of Public Works is perfectly willing to assist the hon. gentleman and this committee in a proper way. This witness has stated that he regards this as an entirely private matter, this arrangement with Mr. Woods, by reason of his being a large manufacturer, made with the Consumers' Company, the city being the successor, I understand it, of the Consumers Company.

Mr. BOYCE.—And they renewed the contract recently.

Hon. Mr. PUGSLEY.—If Mr. Blain can show we are paying anything more than the ordinary citizen pays for lighting a building of equal size where an equal number of lights are used, and that, therefore, we have paid an unreasonable rate or made an improvident bargain, I am quite willing he shall show that, and I am quite willing that he should call the officials of the city of Ottawa for the purpose of showing that for lighting similar buildings other parties have made a better bargain or got better rates.

Mr. SHARPE.—At the time this contract was made?

Hon. Mr. PUGSLEY.—Well, at the time this contract was made for the Canadian building, or the Woods building, if you like, but it seems to me the most important

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thing is this, that we made a bargain with Mr. Woods that we would pay him for lighting the building at the ordinary city rates, and we are paying that rate with 10 per cent discount.

Mr. RHODES.—With the permission of the chairman, I would like to ask one question: Assuming that we bring the city officials here and ask them the terms of their contract with the Imperial Realty Company and the witness says, 'I decline to answer,' what attitude will you take then?

Hon. Mr. PUGSLEY.—I will tell my hon. friend what I think should be done in such case, let the same official be called upon, if you like, to say what is the average rate, what they charge people who are lighting buildings similar to the Woods building, irrespective of any particular private arrangement which may be made some years ago with some private individual.

Mr. SHARPE.—And renewed within three years?

Hon. Mr. PUGSLEY.—The question is what is the average charge made to people for lighting similar buildings?

Mr. SINCLAIR.—I do not want to interrupt, but we have discussed this matter for a long time, and I think the ruling of the chair should be observed.

Mr. RHODES.—I did not hear the decision of the chair.

Mr. SHARPE.—Just one minute, I want to ask the minister a question: Does the minister think that the public buildings, the lighting of public buildings, is in the same category as the lighting of private houses, when the public buildings are closed at 5 o'clock in the afternoon, and not opened at night at all. Does he think those buildings are in the same category?

Hon. Mr. PUGSLEY.—I think there is just as much light used in these departmental buildings, take one day with another, as there is in a private house.

Mr. SHARPE.—That is in the day-time?

Hon. Mr. PUGSLEY.—The lights are used in the day-time whereas in the private houses they are not.

Mr. SHARPE.—Now, Mr. Carvell who had charge of this matter when the question was up before, as recorded at page 86 of the evidence, said:—

If my hon. friend wishes to go into this matter, there is no objection whatever to getting the papers before the committee in the proper form, and then he can investigate to his heart's content.

Now we want to go into this matter.

Hon. Mr. PUGSLEY.—You are wanting the witness to produce a private contract between the Woods Company and the Consumer's Company made some years ago, which it has been ruled is inadmissible.

Mr. SHARPE.—The ruling made was on the production of the contract between the Imperial Realty Company, formerly J. W. Woods, and the city of Ottawa for lighting.

Hon. Mr. PUGSLEY.—Which Mr. Linton declined to produce.

*By Mr. Sharpe:*

Q. Do you decline to produce that contract?—A. Yes, I do.

The CHAIRMAN.—I ruled that he was not compelled to do so, and Mr. Sharpe is appealing from that ruling. The question is: Shall the ruling of the Chair be sustained? Those in favour of the motion that the ruling of the Chair be now sustained say aye.

Mr. NESBITT.—I want to understand the question. Mr. Sharpe wants the production of a contract between Mr. Woods—

Mr. SHARPE.—The middleman.

Mr. NESBITT.—And some one else, and the witness has objected to producing it.

The CHAIRMAN.—He wants to get a contract made in 1903 between Mr. Woods and the Consumers' Company.



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Mr. SHARPE.—Pardon me, we want to know what he paid for the light he is selling to the government.

Mr. NESBITT.—I must say, with all due deference, though you think probably I may be prejudiced, that we have no right to inquire into what this man pays for it so long as he sells us the goods at an equal price to what anybody else would sell it at.

The CHAIRMAN.—That is exactly what I have been trying to say all the afternoon.

The ruling of the Chair sustained. Yeas, 15; nays, 10.

*By Mr. Sharpe:*

Q. The first contract that was spoken of in regard to the lighting had reference only to the Woods building; that was the only building as to which the arrangement for power and lighting under the original contract was made?—A. No. I think not.

Q. Well, what other building was there?—A. I think it had reference to the Queen street building.

Q. The Queen street building also?—A. I am not talking from the contract now. I haven't it before me.

Q. Now, I want to ask you this question, and if you object to it you can say so: Was that contract at a meter rate or a flat rate.

Hon. Mr. PUGSLEY.—The contract will speak for itself. The witness has already declined to answer that question.

The WITNESS.—I decline to answer that.

Mr. SHARPE.—That is a perfectly proper question.

Hon. Mr. PUGSLEY.—No, it is not.

The CHAIRMAN.—What contract are you asking about now?

Mr. SHARPE.—I am asking about the original contract. The minister says that contract is a fair and reasonable one so far as the government is concerned.

Hon. Mr. PUGSLEY.—Which contract are you asking about? Are you asking about the contract between Mr. Woods and the government?

The CHAIRMAN.—You can ask about the contract between Mr. Woods and the government.

Mr. BOYCE.—I don't think it is the prerogative of a minister of the Crown any more than any other member of the committee to stand between the witness and the examining counsel.

Hon. Mr. PUGSLEY.—Not at all.

Mr. BOYCE.—My hon. friend the Minister of Public Works is here apparently defending and protecting the witness.

Hon. Mr. PUGSLEY.—Not at all.

Mr. BOYCE.—I strongly object to and protest against his conduct in this committee this afternoon. I say the Minister of Public Works has no right to tell a witness that he must decline to answer or to say, 'you need not answer that question,' or 'that is not a proper question.'

Hon. Mr. PUGSLEY.—I am here as a member of this committee, and I have the same rights as Mr. Boyce or any other member.

Mr. BOYCE.—That is what I am trying to remind my hon. friend.

Hon. Mr. PUGSLEY.—I have a perfect right to understand, as any member of the committee would, as to whether Mr. Sharpe was asking the witness about the original contract between Mr. Woods and the city, or the contract between Mr. Woods and the government. That is what I want to find out. Which was it?

Mr. SHARPE.—You stated that the rate we are paying the Woods Company is the ordinary city rate, which is a meter rate. I want to show they are purchasing upon a flat rate. That is a perfectly proper question.

Hon. Mr. PUGSLEY.—Which contract are you asking about?

Mr. SHARPE.—The original contract.

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Hon. Mr. PUGSLEY.—You mean the contract between Mr. Woods and the city. Well, we have not that contract here and the witness has declined to produce it.

Mr. SHARPE.—You cannot compare the flat rate with the meter rate and say one is reasonable and the other unreasonable. How can you compare the contract they have with the government and say whether the rate is a fair and reasonable one or not, and what the government should pay, if the government is paying on the basis of a meter rate, and the Woods Company is paying on the basis of a flat rate?

The CHAIRMAN.—Suppose they got it for nothing. They could sell it at the market rates.

Hon. Mr. PUGSLEY.—What I meant, Mr. Sharpe, was this: the chairman has made a ruling that you cannot go into that.

Mr. SHARPE.—Oh, no.

Hon. Mr. PUGSLEY.—Excuse me, that is so, and his ruling has been sustained. Now you are asking about prices without producing the contract.

Mr. SHARPE.—No. I am not.

Hon. Mr. PUGSLEY.—Yes you are. You are asking him to give the details of that contract. Whether it is a flat rate or a meter rate depends on the contract.

Mr. SHARPE.—Will the minister allow me for a moment. I submit that I should put my question, and if it is objected to it will go on record. I have not asked the witness, and I don't purpose asking him the price at the present time. I did ask him how he paid for the light under the old contract, whether by meter rate or flat rate, which is a perfectly pertinent question.

Hon. Mr. PUGSLEY.—What I suggest, Mr. Chairman, is this:

Mr. SHARPE.—Wait till I ask the witness.

Hon. Mr. PUGSLEY.—Surely I have a right to object to the question.

Mr. BLAIN.—Surely my honourable friend the minister has no right when the solicitor asks the witness a question to interpose and say whether the question should be answered or not.

Hon. Mr. PUGSLEY.—Have I not a right to object?

Mr. BLAIN.—If there is to be any objection surely it is the chairman's duty to raise it?

Hon. Mr. PUGSLEY.—Oh, no.

Mr. BLAIN.—I so understand it.

Hon. Mr. PUGSLEY.—Any member of the committee can object.

Mr. BLAIN.—I ask your ruling, Mr. Chairman, on this point. Mr. Sharpe asks the witness a question. If it is an improper question it is the chairman's duty to say so and not the minister's.

Hon. Mr. PUGSLEY.—And that any member of the committee could object.

Mr. BLAIN.—No, if the minister has that right to discuss with Mr. Sharpe whether it is a proper or improper question then every other member of this committee has the same right.

Hon. Mr. PUGSLEY.—Certainly.

Mr. BLAIN.—I ask the ruling of the Chair whether it is not the duty of the Chair to say whether a question is proper or improper and not of an individual member.

The CHAIRMAN.—It is the duty of the Chair to say that, but I think any member of the committee has the right to call the attention of the Chair to the fact that he thinks a question is an improper one.

Mr. BLAIN.—Before the ruling of the Chair is given?

The CHAIRMAN.—Before the witness answers.

Mr. BOYCE.—What has been carried on, and what I have been listening to all the afternoon has been a systematic interruption of the evidence by the Minister of Public Works, a preventing of the evidence being given, and that prevention comes from the minister himself—

Hon. Mr. PUGSLEY.—That statement is entirely incorrect.

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Mr. BOYCE.—That is absolutely correct and I stand by it. The minister is taking the initiative to prevent the witness answering questions.

The CHAIRMAN.—No, he has not done that at all.

Hon. Mr. PUGSLEY.—Mr. Boyce does not do himself justice at all by rising in an excited, angry and somewhat rude manner, if he will pardon me for saying so,—

Mr. BOYCE.—I may have been excited, but I was not angry.

Hon. Mr. PUGSLEY.—Not angry perhaps, but somewhat excited. I trust that Mr. Boyce will resume his ordinary frame of mind. I leave it to the chairman whether I have interrupted the proceedings improperly. What I did, and what the chairman did, was in an effort to see that the proceedings were carried on in a proper manner. Having had your ruling, Mr. Chairman, and that ruling being sustained by the committee, that the witness is not obliged to produce the old contract between the Woods Company and the city, what I submit is that I have a perfect right to do this, the same as any other member of the committee has the right, to call your attention to the fact that the contract not being produced, the witness having declined to produce it, Mr. Sharpe has no right to seek to give the contents of that contract, because that would be even worse, that would be giving verbally a contract which is not produced, and which the witness has declined to produce. The question whether it was a flat or a meter rate is surely going into the contents of the contract.

Mr. BLAIN.—Would not that be the duty of the chairman to take objection?

Hon. Mr. PUGSLEY.—The chairman holds, and I think properly so, that any member of the committee has the right if an improper question is asked to call attention to the fact that it is an improper question.

Mr. BOYCE.—And the minister overrules the chairman; that is just contrary to what the chairman has said.

The CHAIRMAN.—I ruled at the last meeting that I would not compel the witness to answer questions about that old agreement if he objected to, but I would compel him to answer questions about an agreement between his company and the government.

Mr. MIDDLEBRO.—The witness may refuse to answer because he thinks it may injure him in some way.

The CHAIRMAN.—They object to producing the contract.

Mr. MIDDLEBRO.—Nobody has the right to interfere between Mr. Sharpe and this witness until the witness says whether it will injure him or not.

Hon. Mr. PUGSLEY.—Who said that it would injure him? The witness has not said so and nobody has said that.

Mr. MIDDLEBRO.—The chairman has ruled that the witness need not answer because it may be injurious to him.

The CHAIRMAN.—No, that is not exactly it; the witness objected to produce it and I ruled that the contract was not admissible as evidence.

Mr. MIDDLEBRO.—Well, that he objects to produce it, and that being so, it is only fair to assume that he means he is going to be injured by answering the question, and that being so nobody should interfere between Mr. Sharpe and the witness.

Hon. Mr. PUGSLEY.—Mr. Middlebro puts it upon entirely different ground to that upon which the witness put it. The witness said it was a private agreement made between Mr. Woods and the city of Ottawa a number of years ago with which the government has nothing to do, that Mr. Woods made a bargain with the government to supply electric light at the ordinary rates charged to the ordinary citizens of Ottawa, with the usual 10 per cent discount. He has not put it upon the ground that he will be injured by answering the question, but that it is a private affair with which this committee has nothing to do. That was the ruling of the chairman, sustained by the committee. What Mr. Sharpe is proposing to do is to ignore the ruling of the chair and to seek to give verbal evidence of the contents of that private agreement which has been excluded; that is what I object to.

Mr. MIDDLEBRO.—The hon. minister has begged the whole question.



## APPENDIX No. 2

Hon. Mr. PUGSLEY.—In what way?

Mr. MIDDLEBRO.—Because you are presupposing that you know this witness is going to say he will not answer the question.

Hon. Mr. PUGSLEY.—Not at all.

Mr. MIDDLEBRO.—Excuse me, now, by your interjection you are intimating to the witness that he need not answer, before you know whether he will object or not.

Hon. Mr. PUGSLEY.—Not at all, what I am objecting to is this, and every member of this committee has a right to object to it, to the giving by verbal evidence the contents of a contract which is not produced, and which the witness has declined to produce. My hon. friend knows, as a lawyer, that it is one of the very first rules of evidence that you cannot give verbal evidence of the contents of a contract; the contract must be here. That is the rule that prevails in this committee, that whenever you want to give evidence of the contents of a letter, contract or departmental document of any kind, you produce the letter or the document. But what Mr. Sharpe is seeking to do now is, the witness having declined to produce the contract, to give verbal evidence of the contract by showing what were the terms of that contract.

Mr. MIDDLEBRO.—The Minister of Public Works, by taking the stand that he has is taking the stand that he is the private solicitor for this gentleman who is in the box.

Hon. Mr. PUGSLEY.—How absurd.

Mr. MIDDLEBRO.—He is, because supposing after you had made this objection the witness says ‘I do not mind answering at all.’

Hon. Mr. PUGSLEY.—That is not proper evidence.

Mr. MIDDLEBRO.—Then you have no right to interject your objections until you know whether the witness objects to answering or not. You are taking the position of counsel on this question for the witness.

Hon. Mr. PUGSLEY.—The ground I have taken is this—

Mr. SHARPE.—You have taken it three or four times already.

Hon. Mr. PUGSLEY.—I wish to reply to Mr. Middlebro, he does not seem to understand, it must be I think an intentional misunderstanding, that every member of this committee has the right to say when a question is asked that that evidence cannot be given without the production of the document, otherwise you will be giving verbal testimony of the contents of a paper, which is in writing, and that is contrary to the ordinary rules which prevail in this committee.

Mr. MIDDLEBRO.—Supposing that the witness says, after you have made that objection, ‘I do not mind giving the contents of that document.’

Hon. Mr. PUGSLEY.—He might say it, but he has not the right to say that.

Mr. MIDDLEBRO.—He has the right to say it if he likes, he is the only man who has the right to say whether he will answer the question or not.

Hon. Mr. PUGSLEY.—No, he is not. Will you say that a witness has the right to enter into a dispute here and to be the judge whether he will give by verbal evidence the contents of a written document.

Mr. BOYCE.—Are you the judge.

Hon. Mr. PUGSLEY.—Yes, and every member of this committee is the judge and the chairman is the judge of that.

Mr. MIDDLEBRO.—Does this gentleman represent the Woods Company?

Mr. SHARPE.—Yes.

Mr. MIDDLEBRO.—Hasn't he a right to make any admissions he chooses, hasn't he the right to give any evidence he likes, if it is true?

Hon. Mr. PUGSLEY.—If it is true? I will answer that in a moment.

Mr. MIDDLEBRO.—Either ‘Yes,’ or ‘No,’ has he the right to give any evidence, he likes, if it is true?

Hon. Mr. PUGSLEY.—You cannot always answer a question with ‘Yes,’ or ‘No.’

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Neither this witness nor any other witness has the right to give the contents of any document without producing the document.

Mr. MIDDLEBRO.—Concerning his own company, if it is against his own company.

Hon. Mr. PUGSLEY.—No matter who it is against.

Mr. MIDDLEBRO.—It is against his own company.

Hon. Mr. PUGSLEY.—That has nothing to do with it, because a man says 'I am a fool' it does not follow that he has any right to say it.

Mr. MIDDLEBRO.—Do you mean to say that if this man came here and said, 'I am getting that electricity for one-half the price I am selling it to the government,' he cannot produce the contract?

Hon. Mr. PUGSLEY.—He is not obliged to produce the contract himself.

Mr. MIDDLEBRO.—I never heard of that.

Hon. Mr. PUGSLEY.—There are many things you have yet to hear of.

Mr. SHARPE.—The position I take in reference to this question is simply this: They are selling to the government on the basis of a meter rate and they are purchasing themselves on a flat rate. Consequently you cannot decide on the reasonableness of the price unless you find the quantity and know how much it measures. I am not asking him about the price at all, but whether the electricity purchased by them under the original contract in regard to the Woods building is on a flat rate or a meter rate. The witness has already answered the question.

The CHAIRMAN.—He gave some evidence on that the other day.

Mr. CROSBY.—And to-day also.

Mr. SHARPE.—He says partly by flat rate and partly by a meter rate.

The CHAIRMAN.—That is another way of getting the contract.

Mr. SHARPE.—I have not asked the price. What I understand from the ruling of the chair is that we are not entitled to have produced the old contract on account of the mixing of the power and the light.

The CHAIRMAN.—No, it is not on that account. This is a contract that was entered into many years ago. Possibly the fact that they were getting power had something to do with the price fixed. But they objected to producing this contract which they said the other day was one under which they certainly had some special favours. However, they objected to producing that contract as showing their private business.

*By Mr. Sharpe:*

Q. At the time this old contract was entered into the Canadian building was not erected?—A. I have answered that question already.

Q. Answer it again please?—A. I don't think so.

Q. You don't think so? When was the Canadian building erected?—A. I think it was erected in 1905, I am not sure.

Q. So when the contract in regard to the Canadian building was entered into that would be a new contract apart from the original contract altogether?—A. What contract are you talking about now?

Q. The contract for lighting the Canadian building.—A. With whom?

Q. With the city of Ottawa.—A. I don't have to answer that.

Q. What did you say?—A. I object to answering.

Q. On what ground do you object to answering that question?—A. I simply object, that's all.

Mr. SHARPE.—Mr. Chairman, I am surely entitled to an answer to this question.

The CHAIRMAN.—Is this under the old contract?

Mr. SHARPE.—It could not be because the building was not in existence.

The CHAIRMAN.—Yes, but I understood the other day that while the building was not in existence they had power under the old contract and supplied it after the building was erected.

The WITNESS.—Certainly.

## APPENDIX No. 2

*By Mr. Sharpe:*

Q. Do you mean to tell this committee, Mr. Linton, that the first contract in 1903, in reference to the Woods' building, was made in such terms that it covered the Canadian building?—A. I cannot say, I have not got the contract before me.

Q. You did say so to the chairman.—A. Did I?

The CHAIRMAN.—I don't think you said that.

*By Mr. Sharpe:*

Q. How long is it since you have seen the contract?—A. The same time as you saw it.

Q. That was about a week ago, was it?—A. Possibly so, yes, I think it was.

Q. And did you read it over then?—A. No, I didn't read it over.

Q. Did you read it over before you came?—A. Yes I did, probably a week or two before.

Q. And you can't say—having read that contract over a week ago and having come here for the purpose of explaining matters in this investigation—whether that original contract in 1903 covered the Canadian building, which was not in existence then.—A. I can't. I don't remember the terms of the contract. I could say if I had it here.

Q. You could if you had it here?—A. Certainly.

Q. Did that original contract in 1903 cover the Queen street building?—A. It probably did.

Q. Well, did it, or did it not? I don't want probabilities?—A. I don't know.

Q. Well, say if you don't know?—A. I have not got the contract before me.

Q. Is that the only reason you don't know, because you have not got the contract?—A. No. I don't know definitely.

Q. You don't know definitely?—A. No. I don't.

Q. You don't know if the original contract of 1903 covers the Railway Commission as well as the Canadian building? You swear to that?—A. I do.

Mr. SHARPE.—Very well, we will take that answer.

*By Mr. Blain:*

Q. Who advised you not to answer these questions?—A. Nobody.

Q. Did you not consult with anybody in your company as to what you should refuse to say, when you came before this committee?—A. I did not know what questions were going to be asked me.

Q. But you discussed this matter—?—A. Oh, yes.

Q. With your company?—A. Yes, certainly, discussed it with our solicitor, discussed it with our directors.

Q. What did they say about it?—A. Just what I have done.

Q. They advised you then not to answer these questions?—A. Yes.

Mr. SHARPE.—In regard to the improvidence of the contract I want to ask you one question: does the amount that you pay the city of Ottawa depend upon the meter rate that you furnish the government?

Hon. Mr. PUGSLEY.—That is going back to the contract again.

The WITNESS.—Yes, that is going back to the old contract.

Hon. Mr. PUGSLEY.—That must depend on the contract, I think.

*By Mr. Sharpe:*

Q. The lighting of the Woods and Canadian buildings, according to the Public Accounts and Auditor General's report amounted to \$9,465.91. Is it or is it not a fact that the Woods Company gets the same service for less than \$3,000?—

The CHAIRMAN.—That is going into the old contract.

Mr. SHARPE.—I am asking that question. If he objects to answering it he can say so.



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The CHAIRMAN.—That is going into the old contract of 1903.

Mr. MIDDLEBRO.—It seems to me that the Minister of Public Works by the stand he has taken is virtually telling the witness not to answer certain questions. I cannot conceive of the minister doing anything to prevent the revelation of what these people are paying for electric power which they are again selling to the government. Now, the minister represents the people and should do nothing to prevent information coming out which may be of benefit to the country. For that reason, if for no other, the minister should not interject any remarks which the witness takes to mean that he need not answer certain questions. He should be the judge himself as to whether he should answer the questions and not the Minister of Public Works.

Hon. Mr. PUGSLEY.—I suppose I should be very much obliged to Mr. Middlebro for the suggestion as to what is my duty. All I desire is to see that the proceedings are carried on in a regular and proper manner. It has been held by you, sir, as chairman, and it has been the opinion of the committee in sustaining your ruling, that the old contract made years ago between Mr. Woods and the city of Ottawa—whatever it is, and we have no evidence of what it is—should not be produced by the witness and he need not give evidence on it.

Mr. SHARPE.—Or the one subsequent to that.

Hon. Mr. PUGSLEY.—What Mr. Sharpe has been seeking to do is to ignore your ruling and without producing the contract to get this witness to tell what its contents are.

Mr. MIDDLEBRO.—That is begging the question.

Hon. Mr. PUGSLEY.—It is not begging the question at all. The agreements to take the Woods and Canadian buildings were made a number of years ago by my department before I became minister. Now, a bargain is a bargain. The bargain made by the government, which we are bound to carry out, was that for lighting these buildings they should pay the ordinary charges made by the city to the people of Ottawa—that is the ordinary city rate—with ten per cent discount.

Mr. SHARPE.—Is not this company an ordinary citizen of Ottawa?

Hon. Mr. PUGSLEY.—What Mr. Sharpe is seeking to do is to ignore the ruling of the chairman and trying to draw out the contents of this document without the document being produced, that is a very irregular and improper proceeding.

Mr. MIDDLEBRO.—I am accepting the ruling of the chairman implicitly, and saying that the witness need not answer the question if he thinks it is going to injure him, but my point is that the chairman should give the decision and that the minister should stand back.

The CHAIRMAN.—I do not think that the witness is called upon to answer any question about the old agreement.

Mr. SHARPE.—There is a new agreement.

The CHAIRMAN.—Was not the light supplied by them, that which they got by the old agreement.

Mr. SHARPE.—How could they get light under that agreement for a building which was not in existence at the time the contract was made?

The CHAIRMAN.—Supposing you have a contract under which you can get such light as you may require from time to time.

*By Mr. Sharpe:*

Q. This company has made a new agreement with the city of Ottawa since the city of Ottawa has taken over the plant?—A. I do not think I need answer that question.

The CHAIRMAN.—I think they have renewed their old agreement.

Mr. SHARPE.—Isn't that a new agreement?

The CHAIRMAN.—No.

Mr. RHODES.—You are suggesting an answer to the witness there. That is a

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straight question and the witness says, I refuse to answer, and you suggest it might be an extension of the old contract.

The CHAIRMAN.—That has been up before.

Mr. RHODES.—I believe your desire is, Mr. Chairman, to do what is just as chairman of this committee, and I think upon reflection you will see that you must be putting words in the witness' mouth.

The CHAIRMAN.—He has given evidence on this very point before.

Mr. RHODES.—This question is, has a new agreement been entered into between the city and the Imperial Realty Company since this building was erected and subsequent to the old agreement. This witness says, I decline to answer. We are asking whether there is any old agreement in existence, it may be null and void.

The CHAIRMAN.—He has sworn it is not null and void.

Mr. RHODES.—He has declined to answer whether there is a new agreement.

The CHAIRMAN.—When he was here before he swore that the old agreement was in existence.

Examination of witness resumed.

*By Mr. Sharpe:*

Q. Is there a new agreement with the city of Ottawa and the Imperial Realty Company in respect to lighting the Canadian building?—A. I still decline to answer that question.

Mr. SHARPE.—Surely we are entitled to an answer to that?

The CHAIRMAN.—You can answer whether there is a new agreement or not.—A. Well, there is.

Mr. NESBITT.—I contend it is none of our business what these people are paying the Electric Company.

The CHAIRMAN.—That is what I have been holding all along.

Mr. SHARPE.—We are paying for lighting the Woods' and the Canadian buildings \$9,465.41, that is by meter rate; the company is paying about \$3,000.

Mr. NESBITT.—It is none of our business what the company is paying; it is our business to know whether we are getting that light on the same basis as it is furnished to other similar buildings.

Mr. SHARPE.—Don't you think where the Imperial Realty Company is making over 300 per cent on the lighting contract we are entitled to inquire into it.

Hon. Mr. PUGSLEY.—There is no evidence of that at all.

The CHAIRMAN.—Mr. Sharpe has the right to ask the question if he desires to do so.

*By Mr. Sharpe:*

Q. Is there any reason, Mr. Linton, why the government, or any person else applying to the light company, or to the city of Ottawa, for the same quantity of electric light and power as the Woods Company, could not get it at the same price?—A. I do not know; I am not competent to answer that.

Q. You do not know, you cannot say whether any other company, or the government, applying to the Ottawa Electric Company, the city of Ottawa, could not get the same quantity on the same terms as the Woods Company?—A. I don't know anything about that.

Q. You are not a privileged company, are you, that you can obtain it at a cheaper rate than any person else applying for the same quantities? Are you in any privileged position?—A. We hope we are.

Q. You hope you are?—A. We always like to be privileged, you know.

Q. Have you any special rate that any person else could not get?—A. I don't know about that.

Q. Can you tell us the number of lights in the Woods building?—A. No, sir.

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Q. Can you tell us the number of lights in the Canadian building or in the Railway Commission building?—A. No, sir.

Q. Well, when we adjourn you can find that out by reference to your records, can you?—A. Oh, yes.

Q. I wish you would get that information for us.

Mr. SHARPE.—I am ready to adjourn now, Mr. Chairman.

The CHAIRMAN.—Committee stands adjourned until to-morrow morning.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

SATURDAY, April 30, 1910.

The Select Standing Committee on Public Accounts met at eleven o'clock a.m., the Chairman, Mr. Warburton, presiding.

The committee proceeded to the further consideration of certain payments to the Imperial Realty Company and the city of Ottawa for rent and taxes in connection with the Woods building on Slater and Queen streets, Ottawa.

Mr. ERNEST LINTON recalled:

*By Mr. Sharpe:*

Q. These are the Auditor General's accounts and vouchers, I presume that these cheques were paid—just turn over and see the cheques—that these were the cheques paid to the Imperial Realty Company by the government in respect to the lighting of the Woods and this other building?—A. Yes.

Q. And that is the way the account is rendered?—A. Yes.

Q. It is made out, 'J. W. Woods, Slater st., to the Municipal Electric Department of the Corporation of the City of Ottawa'?—A. Yes.

Q. And it shows the meter reading and also the horse-power reading here?—A. Yes.

Q. So much horse-power and so much watt hours, that is the account that is rendered?—A. Yes.

Q. And these would be the accounts upon which the government would pay the Imperial Realty Company?—A. Yes.

Q. And this is not a true statement of the account between J. W. Woods and the city of Ottawa although it purports to be?

Question objected to by Mr. Carvell.

The CHAIRMAN.—That is going into the old contract which we have ruled out already. We will not go into that.

Mr. SHARPE.—Here is an account rendered, 'J. W. Woods in account with the Municipal Electric Department of the City of Ottawa.' I am asking him if that is a true statement of the account that Mr. Woods owes to the city of Ottawa?

Mr. CARVELL.—I object to that; it is the old contract again.

Mr. SHARPE.—You rule against me on that, do you, Mr. Chairman?

The CHAIRMAN.—In the case of the contract between Mr. Woods and the Electric Light Company, I am ruling against that, you understand that is the contract I am ruling against. I am not going to rule out the contract between Mr. Woods and the government.

Mr. SHARPE.—No, I understand.



## APPENDIX No. 2

*By Mr. Sharpe:*

Q. In the first contract between the government and the Woods building, the government always paid by meter rate?—A. Yes.

Q. There has always been a meter on the Woods and the Canadian building to register the quantity of electricity used?—A. Yes.

Q. And there has been no other electricity consumed for lighting purposes, either in the Woods or the Canadian building, except it went through the meter?—A. I would not say that.

Q. Was there; you would know?—A. Well, in our own factory it did not go through the government meter.

Q. You mean for lighting the building?—A. Certainly, yes.

Q. Did you have a separate wire?—A. I understood so, yes.

Q. Do you know now, or are you guessing at it?—A. Well, I cannot say now, Mr. Sharpe.

Q. Who would be able to give me that information?—A. The city would, I presume.

Q. Is the Woods company, that is the Imperial Realty Company, now occupying part of the Canadian building?—A. Yes.

Q. The light consumed by that company goes through this meter?—A. No, sir.

Q. Is there a separate wire?—A. Yes, sir.

Q. They have a distinct wire then?—A. Yes.

Q. You are satisfied of that?—A. I am sure.

Q. And the light the Woods Company uses does not go through the city meter?—A. No, sir.

*By Mr. Carvell:*

Q. Through the city or the government meter?—A. Through the government meter, I mean.

*By Mr. Sharpe:*

Q. Are there two meters in the building?—A. There are three or four meters, I think.

Q. To register the light—I am speaking now—you are occupying part of the Canadian building?—A. Yes.

Q. Is there more than one meter in the Canadian Building registering for lighting purposes?—A. I think there are two or three meters.

Q. For lighting purposes?—A. For lighting purposes, yes.

Q. And for lighting other than what the government uses?—A. No, I do not think so, I think they are all for government purposes.

Q. They are all for government purposes, so that the light you consume does not go through any meter?—A. No, sir.

Q. But that is separate and distinct from the wire that lights the government building?—A. Yes.

Q. You swear to that?—A. I swear to that.

Q. Does the light that lights the boiler house and under the sidewalk go through the meter?—A. No.

Q. Those are attached to your wire?—A. That is attached to our wire.

Q. Who is the electrical superintendent for the city? Who attends to all these wires and meters?—A. Well, I think it is Mr. Brown.

Q. Mr. Brown?—A. I think so.

Q. How many meters are there in the Canadian building?—A. There are either two or three, I can't say which.

Q. Utilized, all of them, by the government?—A. Yes.

Q. And all the light, all the electricity, that goes into the Canadian building for

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lighting purposes goes through those meters?—A. No, sir, our own does not go through it.

Q. Have you any lights in the Canadian building?—A. Yes.

Q. For what purpose?—A. For our office, we are in that building.

Q. Speaking of the Woods building?—A. Yes.

Q. How many meters are there in that building?—A. Two or three, I am not sure which.

Q. All utilized for measuring light for the government?—A. Yes.

Q. Is there any electricity going in there for government purposes, not measured by them?—A. No.

Q. So that all the lighting going into the Woods building is metred?—A. Yes.

Q. How do you measure the power, does the power come through the meter also?—A. No, I don't think so.

Q. Do you know as a fact whether it does or not?—A. No, I do not know.

Mr. CARVELL.—What power do you mean?

Mr. SHARPE.—For the elevators.

Mr. CARVELL.—Well, it couldn't go through the meters because it is a different voltage.

Mr. SHARPE.—I don't know anything about that.

Mr. CARVELL.—I will tell you; the elevators are run by 550 volts direct current, and the lighting is done by 110 volts of alternating current; it could not possibly go over the same wire. The electricity is converted down there on Laurier avenue from an alternating to a direct current.

*By Mr. Sharpe:*

Q. Now, you were to find out the quantity of coal consumed in the Roxborough building, and included in that statement you gave yesterday?—A. It was approximately 200 tons.

Q. Approximately 200 tons?—A. Yes.

Q. And it is included in that statement?—A. Yes.

Q. So that if you take out the \$1,000 you were charging us up yesterday, it will make it correct?—A. That is correct.

Q. Has there been any electricity used in the Roxborough building?—A. There has, yes.

Q. Are there separate meters, or is it attached to the meters in the Canadian or the Woods building?—A. It is separate altogether.

Q. Then you were to look up the amount of repairs for the past four or five years so as to average them?—A. Well, I told you this morning that I could not very well go into that to-day, I can give you that for two years.

Q. Are those the same as you gave us yesterday?—A. The same as I gave you yesterday, yes.

Q. Let us see the account, please?—A. (Ledger produced) 1909.

Q. \$319.71?—A. 1910 up to date.

Q. \$453.76?—A. \$453.76, well it will be a little less than that, \$445.47.

Q. Where was that other repair account?—A. Repairs to buildings?

Q. Yes.—A. (Witness turns up account).

Q. There is 1900: Sundries, \$208.—A. That is last year.

Q. How do you distinguish that from that (pointing to items)?—A. This is repairs on account of heating and the other is repairs for carpentering work, &c., on the building.

Q. That has nothing to do with the heating?—A. No.

Q. Turn over again, please. So that any repairs to the building would have nothing to do with the heating? And you had that large item, 'Sundries, \$2,000,' there, which now you have transferred to heating?—A. That is an error in the posting; that has been transferred to the heating.

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Q. Have you the day-book from which you posted that entry?—A. I think so.

Q. Let us see it: 'Repairs and improvements, \$2,000; Jones Underfeed, \$2,000; installation of stokers in Canadian building and Woods building, this year's proportion.' Why did you state yesterday that the cost of these repairs and improvements was \$3,800?—A. So it was.

Q. Here you have got \$2,000?—A. That is only the portion written off.

Q. You have got here 'installation of stoker in Canadian building and Woods building, this year's proportion.' How have you got this year's proportion?—A. \$2,000.

Q. You have not carried any amount out?—A. There it is right there (pointing to item).

Q. Under this item here?—A. It is at the top of the page on both sides.

Q. Automatic stoker it is called?—A. Yes, sir.

Q. And smoke consumer?—A. And smoke consumer.

Q. Is the automatic stoker all in one?—A. It is all in one.

Q. What is the object of the automatic stoker; to save expense, I suppose, in stoking?—A. It does to a certain extent, yes.

Q. It saves them expense?—A. It does, yes.

Q. I suppose you cannot separate the parts if they are all together?—A. I could not, no.

Q. Now, did you look up the repairs for 1908?—A. No, sir, I have not had time.

Q. Well, have you got them in the book there?—A. No, Mr. Sharpe, I would like to put in a statement, if you would allow it to remain open, of all these points you have asked me for.

Q. Of course, I want to look over the books and cross-examine you on the items. I would not like to put it in *ex parte*?—A. I would be very glad to have you look at the books in my own office.

Q. What is the total number of lamps in the Woods building?—A. I don't know, Mr. Sharpe.

Q. You were asked to find out and you said you would?—A. I said I would try to. I explained this morning it was very difficult to find out, and our man is going to count them. The only way I can get at it is to count them.

Q. You can easily tell us. It won't take you very long, it will be in your books, to tell us how many lamps there are in the Woods building?—A. It is not in my books.

Q. You are the secretary-treasurer of the company?—A. I am.

Q. And one of the shareholders?—A. Yes.

Q. To what extent?—A. I have eight shares. No, I have thirteen shares, I think it is.

Q. And you make up the accounts between your company and the city of Ottawa. Do you make them quarterly or weekly? Or how do you make them?—A. We have them quarterly.

Q. And you superintend the making up of these accounts?—A. I do.

Q. Consequently you must know, without making any reference to books, the number of lamps there are in the place?—A. I can give you the number approximately if you will take it approximately.

Q. Well, give it?—A. I think there are about twenty-two or twenty-three hundred lamps.

Q. You think there are that many?—A. I think so, that is, approximately.

Q. Do you know approximately how many there are in the Canadian building?—A. No, I do not.

Q. You could not tell us how many there are in the Canadian building?—A. No, I could not.



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Q. That is one-half plus the other two stories in the other half?—A. No, I could not tell you.

Q. This is the information I asked you to get for me this morning. What is the total amount of insurance on the Woods' building?—A. \$590,000. Oh, I think you told me on both buildings.

Q. I want the insurance first on the Woods' Building and then on the Canadian building?—A. I have not separated it, it is \$590,000 on the two.

Q. And what does that cost you?

MR. CARVELL.—Mr. Chairman, I object—

MR. SHARPE.—Surely we are entitled to know the net income of the landlord.

MR. CARVELL.—I am going to object to the question. I think it is an outrage to ask the company to come in and reveal all their private affairs.

THE CHAIRMAN.—I think you are going too far in that respect Mr. Sharpe.

MR. SHARPE.—I object to your making a ruling on this question without hearing what arguments I have to present or the reason for it. I do not think it is fair, with all due respect to you, to make a ruling on the unsupported application of Mr. Carvell without giving me the opportunity to argue it.

THE CHAIRMAN.—I will hear your argument.

MR. SHARPE.—There is very little use of arguing after you have given your judgment. I do not expect you will alter your judgment after you have given it on the objection of Mr. Carvell. We are here for the purpose of ascertaining the reasonableness of this rent and the charges for lighting and heating, and we are entitled to find out by reason of that inquiry what revenue the landlord is getting. We cannot ascertain his net income until we find out what his insurance is. Isn't that a pertinent question? If there is a pertinent question that I have asked during this inquiry that is one. I want to find out what the landlord's net income is and how am I to find out unless we get his insurance?

THE CHAIRMAN.—I do not think I will allow that. Ever since we commenced this investigation there has been too much effort to get at the private business of people which does not concern the country.

*By Mr. Sharpe:*

Q. Tell us the amount of power for the elevators?—A. Horse-power.

Q. Yes, horse-power.—A. I think it is 10.8 horse-power.

*By Mr. Carvell:*

Q. For each elevator?—A. Yes.

*By Mr. Sharpe:*

Q. How many elevators are there?—A. There are six.

Q. What does the government pay you for the power?—A. \$30.

Q. And how much does that come to per year?—A. It will come to \$444, I think it is, an elevator. I am not quite sure, but I think that is what it comes to.

Q. An elevator?—A. Yes.

Q. And how many elevators do you say?—A. Six.

Q. That is \$2,664. How much less do you pay—

MR. CARVELL.—I object.

MR. SHARPE.—Wait till I ask the question.

Q. How much less do you pay the city of Ottawa.

MR. CARVELL.—I object, Mr. Chairman, to that question.

MR. SHARPE.—Then I will ask your ruling, Mr. Chairman.

THE CHAIRMAN.—That is coming back to the old contract as to which I ruled yesterday and ruled a few minutes ago questions would not be allowed to be put. I ruled out all questions in connection with the old contract.

Q. Is there any reason why you or your company as consumers in the City of Ottawa should get special rates over any other consumer?

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Mr. CARVELL.—I object to that question, there is no evidence that there is any special rate.

The CHAIRMAN.—I do not see any objection to that, because he may say there is a reason, or there is no reason.

*By Mr. Sharpe:*

Q. Is there any special reason?—A. I do not know of any. I wish to correct that statement I handed in yesterday with reference to the cost of heating, there was a slight error in it which I would like to rectify.

Mr. SHARPE.—I think that we should have the statement correct, if you want to correct it now you are at liberty to do so.

*By the Chairman:*

Q. You can correct it.—A. It increases the amount by \$60, the difference is very slight, but I wanted you to know the correct amount. (Witness amends statement).

*By Mr. Sharpe:*

Q. So if this is a fair average statement of the heating account, \$10,165.83, you are heating the building at a loss of \$1,000 a year?—A. Yes, sir.

Q. Are you anxious to throw up the contract?—A. We do not care one way or the other, Mr. Sharpe.

Q. You do not care whether the government takes over the heating themselves or not?—A. No.

Q. According to the statement that was made, let us just figure it out this way now. Now if you make the repairs as it is in this amended statement here, \$453.19 for this year, although last year the total repairs only amounted to \$319, and if you leave off the boiler insurance which is properly chargeable against the owners of the building, and if you leave off the installation of the automatic stoker and smoke preventer which is put in to cheapen the expense of heating the building, and solely for your own benefit, and if you leave off the 10 per cent for wear and tear which is properly chargeable against the owner of the building—

Mr. CARVELL.—And if you leave off half the coal—

*By Mr. Sharpe:*

Q. No, leave the coal and the expenses of the men and your repairs, the total comes to \$6,047.55 as the expenses of the heating, and that leaves a rake-off for the middleman, or the Imperial Realty Company of \$3,115.96 per year.

*By Mr. Carvell:*

Q. Do you admit that, Mr. Linton?—A. No, I do not admit it at all.

Mr. SHARPE.—You must admit it, if you leave off the figures which I claim are properly chargeable against the owners and not to the government?

Mr. CARVELL.—Mr. Sharpe is not giving evidence.

Mr. SHARPE.—No, but I am having him verify these figures.

Mr. CARVELL.—He has the right to ask the witness any question he wants to, if he wants to make combinations of figures he has a perfect right to do so at any time, but I submit he has no right to put as pertinent a question as he has into the mouth of this witness and ask him to answer it. I am going to object to Mr. Sharpe making a combination of figures and asking this witness to verify them.

Mr. SHARPE.—You ruled on this question yesterday, Mr. Chairman, the same question was ruled on yesterday. I put a hypothetical question to the witness and asked him if it was correct.

The CHAIRMAN.—You can do that.

Mr. CARVELL.—If you put it as a hypothetical case, it is all right.

Mr. SHARPE.—That is what I am doing.

The CHAIRMAN.—Repeat your question, Mr. Sharpe, in order to make sure.

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*By Mr. Sharpe:*

Q. You have so many items here in this statement, some of which I say are not properly chargeable against the annual heating account, and some of which you say are properly chargeable?—A. That is right.

Q. If you leave off the following items:—Boiler insurance. \$100, installation of automatic stoker and smoke preventer \$2,000, and 10 per cent wear and tear \$500, the total comes to \$6,047.55? Isn't that correct?

Mr. CARVELL.—Now verify those figures.—A. (After examining statement). How do you arrive at that?

Q. Well, I took one-fourth of that amount.

Mr. CARVELL.—One-fourth of what?—I want this on record.

Mr. SHARPE.—The witness has made up a statement of the cost of the coal from June, 1906, to March, 1910, and he says that will carry him up till June, and that is four years coal account.

The WITNESS.—Did I say that, Mr. Sharpe?

Mr. SHARPE.—Yes.

The WITNESS.—I said I thought it might.

Mr. SHARPE.—You said it would.

The WITNESS.—I think I said, I thought it might.

Mr. SHARPE.—If you thought it might carry you up to June that would be four years coal account. I was taking one-fourth of the total amount.

Mr. CARVELL.—That is your hypothetical question. You assume it would be one-fourth of the total amount.

Mr. SHARPE.—I take one-fourth instead of one-third as he did.

Mr. CARVELL.—The trouble is we have got to watch you.

Mr. SHARPE.—No you don't, only you are unduly suspicious.

Mr. CARVELL.—Now have you taken off one-fourth of the men's wages?

Mr. SHARPE.—Just the items that are not properly chargeable I wanted to begin with. (to witness) Is that correct?

The WITNESS.—That is correct.

*By Mr. Sharpe:*

Q. Then, according to these figures the annual heating account is \$6,047.55.

Mr. CARVELL.—Do you admit that question?

The WITNESS.—I don't admit that.

*By Mr. Sharpe:*

Q. On the assumption of the correctness of these figures—A. This is a hypothetical question still, is it?

Q. Yes. That is what the figures come to?—A. Hypothetically, yes.

Q. Not hypothetically, it is a plain case of addition?—A. Your figures come to that, certainly.

Q. And when the company are paid \$9,163.51 they are making an annual rake-off of \$3,115.96 for the heating?—A. Well, we don't admit that.

Q. If these figures are correct and proper and clear that is the result, isn't it?—A. If they are correct and proper we are making a profit.

Q. Now, the Woods building should consume on the average, year by year, about the same each year, shouldn't it?—A. It depends a good deal on the weather.

Q. Yes, I know, but averaging it up it would not vary very much one year from another?—A. I am hardly competent to judge that; I really can't say.

Q. Cannot you judge it from your own experience? One year would surely average with another?—A. Possibly.

Q. The years would not vary very much, would they; a few hundred dollars at the most?—A. If we had a very cold winter they might vary a great deal.

Q. A very cold winter?—A. Yes.



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Q. But I am speaking of the heating. We have been dealing with the heating?  
—A. What were you talking of?

Q. Let us speak now with reference to the lighting of the Woods building. Would the expense of lighting the building vary very much from year to year?—A. Well, don't the accounts show that?

Q. Would it vary very much from year to year?—A. That is a pretty hard question to answer. I can't answer that intelligently; it probably would. It would depend on how much night work they do.

Q. They would average about as much work in one year as they would another, would they not?—A. I don't know that. I don't know how much work they do.

Mr. CARVELL.—Would not those accounts be in the Auditor General's Report?

Mr. SHARPE.—Yes, and I want him to explain the discrepancies.

Q. How can you explain the discrepancies, for instance, in the Woods building where the lighting account for 1907-8 was \$2,133.56 as compared with \$3,696.50 for 1908-9, a difference of over \$1,500 in the lighting account for the same building?—A. I presume they burnt more light; they must have.

Q. How do you account for the discrepancy in the Canadian building, on the same basis?—A. The same answer.

Q. In 1907-8 you had rented to the government the west half of the Canadian building and the two top stories of the east half, and, according to the Auditor General's Report, the lighting account came to only \$1,430.69. When you added the remaining five flats on the east side the account jumped to \$5,769.41, a rise of over \$4,000 by the addition of five flats. How do you account for that?—A. The departments must have been working hard.

Q. And is that your only explanation?—A. That is all I know about it. It is simply on the meter.

Q. The addition of five flats made a difference of \$4,338.72, whereas nine flats only cost \$1,430.69. Do you think that overwork would account for that discrepancy?—A. Well, does the addition of five flats make the actual difference?

Q. How else can you explain it?—A. Are you comparing one year against another?

Q. Yes.—A. Why should that difference arise all in five flats? I don't understand your question at all.

Q. And you are occupying the other part of the Canadian building now. Under the first lease the government only had the west half and the two top stories?—A. Oh, yes, we had the other part.

Q. You had the other part?—A. Yes, certainly.

Q. What were you occupying it for?—A. Factory.

Q. And were you using lights?—A. Presumably so.

Q. And you were using lights on your meter or did you have a meter?—A. I don't know whether we had a meter or not.

Q. Did the light go over the government meter?—A. No, sir.

Q. You are positive of that?—A. I am positive of that.

Q. When you moved out and we took over the other five flats the account jumped from \$1,430.69 to \$5,769.41, a difference of \$4,338.72?—A. You are comparing one year against another, are you?

Q. I am comparing when we only had the west half and the two top flats of the east half with the whole building.—A. Yes, I understand.

Q. When we took over the balance of the Canadian building our account jumped from \$1,430 to \$5,769. How do you account for it?—A. I cannot account for it, except the meter readings, that is all.

Q. When we added the five flats, if the cost had been increased proportionately according to the flats the annual cost of lighting would have been only \$2,225 instead of \$5,769?—A. I don't quite understand your question.

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Q. If you look over the statement they average pretty near about the same one year with the other?—A. Why should they.

Q. Why shouldn't they?—A. Why should they? One office works sometimes longer than the other.

Q. But on the average, averaging them up?—A. I am not competent to average. I have never studied that part.

Q. This is another hypothetical question: the chairman won't let me inquire whether you are paying by the flat or the meter rate, but if you are paying by the flat rate no matter how much electricity comes through the meter your payment to the city of Ottawa is no more. It does increase in cost if you are paying by the meter, but if you are paying a flat rate it does not make any difference how much electricity goes through the meter, does it?—A. (To the chairman) Have I to answer that?

The CHAIRMAN.—I think you can answer that.

The WITNESS.—No.

*By Mr. Sharpe:*

Q. It does not make any difference, does it?—

The CHAIRMAN.—That would be self-evident I think.

*By Mr. Sharpe:*

Q. It is to the company's interest to have as much pass through the meter as possible, the company's financial interest, isn't it?—A. Yes, I suppose it is.

Q. That is self-evident too, because the greater amount of electricity which passes through the meter the more the company are paid by the government?—A. Yes.

Q. But they don't pay any more themselves?—A. Is this a hypothetical question.

Q. Yes.—A. No.

Q. So that if electricity should pass through the meter that is not actually used for lighting purposes the only people that would lose would be the city of Ottawa and the government; the Imperial Realty Company would make money?—A. That is right.

Q. The amount you pay the city of Ottawa doesn't depend on the meter readings?—A. No, sir.

Q. Then why do you present the meter readings to the government at all?—A. (To the chairman) Have I to answer that?

The CHAIRMAN.—I think you can answer that.

A. It indicates what they burn.

Q. It indicates what the government burns?—A. What they actually burn.

Q. And any person examining the accounts for the purpose of investigation would see those vouchers and he would say, 'Well, these are the accounts rendered to the Woods Company from the city of Ottawa and they must be right.' Such a person would not be suspicious that the company was making six or seven thousand rake-off on the lighting contract for instance?—A. I don't quite understand the inference, Mr. Sharpe.

Mr. CARVELL.—Put it hypothetically, then he will understand it, Mr. Sharpe.

*By Mr. Sharpe:*

Q. Why don't you make the government indebted to the Imperial Realty Company in your accounts instead of rendering the original accounts from the city of Ottawa?—A. Well, they are attached to the Imperial Realty Company's accounts.

Q. Why do you attach them to the account?—A. Simply to indicate the meter reading.

Q. The meter reading?—A. Certainly.

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Q. Who does the meter reading?—A. I do not know.

Q. The city official, I suppose?—A. Oh, yes, it is the city official.

*By Mr. Goodeve:*

Q. Do I understand then that your company, that is the city of Ottawa, makes out its own voucher for this building and passes it through your office, and you accept it as their official reading? I would gather that from your evidence?—A. Yes, that is so.

The CHAIRMAN.—That is what I understand.

*By Mr. Sharpe:*

Q. And your company passes it on to the government as a voucher for the government.

Mr. GOODEVE.—That does not regulate the amount you pay?

The CHAIRMAN.—If I understand the question, it regulates the amount of watts that the government consumes.

Mr. GOODEVE.—And the Imperial Realty Company accept that and simply collect on that from the government, on the bill made out by the city?—A. That is right.

Mr. GOODEVE.—But you don't pay; I also understand that has nothing to do with the amount that you pay?

Mr. SHARPE.—He says not.

The CHAIRMAN.—No, it only indicates the amount of power they get, at least that is what I understand from him.

*By Mr. Sharpe:*

Q. You refuse to tell us the amount that you pay for the power for the elevators, you decline to answer that question?—A. Yes.

Q. And you also decline to produce the contract?—A. Yes.

Q. Are any of the apartments in the Roxborough building leased now?—A. They are.

Q. Is there any person occupying them?—A. They are going in to-day.

Q. Are any officials in connection with the Public Works Department leasing any of the apartments in the Roxborough building?—A. Yes.

Q. Well, tell us what officials are renting Roxborough apartments?—A. Well, is that relevant to this inquiry? I don't think it is.

Q. It is not for you to say?—A. I have no objection to answering it.

Q. It is not for you to object?—A. Mr. Pugsley has taken apartments there and Mr. Carvell has an apartment.

Q. Are there any other officials in the Public Works Department that have apartments there?—A. No.

Mr. SHARPE.—I think that will do.

*By Mr. Carvell:*

Q. I just want to ask you one or two questions. Are you furnishing the electricity to the Roxborough building on the contract which you have had for some time with the city electric light company?—A. No, sir.

Q. Did you try to have that contract extended to the Roxborough building?—A. We tried to get a new contract for the Roxborough building.

Q. You tried to get a new one?—A. Yes.

Q. And you didn't succeed?—A. Not at the same rate.

Q. Are you paying by meter or by flat rate?—A. Partly by meter and partly by flat rate.

Q. Now, as to the coal account, do you admit that there was the same amount of coal used in 1906 in this building that there was in 1909?—A. In 1909?

Q. Was there as much?—A. There was, I think, more used in 1909 than in 1906.



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Q. Then that hypothetical question that Mr. Sharpe put to you in which he divided the total into four different parts, or he took one-fourth of the coal as the basis of what the cost was for one year, was he correct in that or not?—A. It was not correct, it was an estimate.

Q. It was an estimate?—A. Yes.

Q. But would it be a correct estimate as to the cost of the coal during the past year?—A. I don't think so.

Q. And which way would it be in error?—A. I think it cost us more than that in the past year.

Q. You used more coal in the past year than one-quarter of the total amount would come to?—A. Certainly.

Q. Then this hypothetical question was on the wrong hypothesis?—A. Yes, that is right.

Q. Therefore, it is fair to conclude that the answer was wrong?—A. I think so.

Q. Was the western side of the Canadian building and the upper flats of the building occupied by the government during the whole of the financial year of 1907-8?—A. That is the western side and the two top flats of the Canadian building?

Q. The Canadian building?—A. I think they were.

Q. Now, are you aware that was only a nine months' year?—A. No, sir, I am not.

Q. Well, now, as a matter of fact it was only a nine months' year, therefore when my learned friend told you that the total cost was some \$1,400 for that year I can tell you that it would only be for nine months in that year?—A. I understand, yes.

*By Mr. Sharpe:*

Q. Now in regard to the Roxborough apartments they are not in the same category as the government buildings, are they? They are residences, aren't they, and these are offices and close at five o'clock in the evening, do they not, as a rule?—A. I don't know what time the offices close there.

Q. You should know, you are living in the building.—A. Not all the time.

Q. You are there part of the time and you do not know what the office hours of the government are?—A. I do not know.

Q. Don't they go at five o'clock?—A. They come and go at all times.

Q. What time do they close the offices?—A. I have seen them go at 5 o'clock, 6 o'clock and 8 o'clock.

Q. What is the rule?—A. I don't know.

Q. At what time do the majority of the officials leave?—A. Between five and six.

Q. Do you mean to say that though you are living and working in the same building you do not know what their hours are?—A. Yes, sir—I do not live there.

Q. How long have you lived in the building?—A. I do not live there.

Q. You are there a portion of the time?—A. I am there for a portion of the day, I have been there for four or five years.

Q. What time do you leave the office as a rule?—A. I am over in Hull in the afternoon, as a rule I leave the office about three o'clock.

Q. If they are not the same class of buildings is there any comparison between the lighting of the Roxborough apartments and the government offices which are closed as a rule at five o'clock? Do you think that is a fair comparison?—A. I should imagine it would be.

Q. We will take that for what it is worth. Now in your estimate of the coal from June, 1906, to the end of March, 1910—

Mr. CARVELL.—Until June, 1910.

*By Mr. Sharpe:*

Q. You divided that into three years, didn't you?—A. I did.

Q. Was that a fair division?—A. No, it should have been about three and a half.

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Q. Would that have averaged it fairly for three and a half years?—A. I cannot say that.

Q. You have just told Mr. Carvell it would not be a fair average.

Mr. CARVELL.—No, he did not say that at all.

Mr. SHARPE.—The witness says it is correct to average it at three and a half.

Mr. CARVELL.—Then it would not be fair to average it for four.

*By Mr. Sharpe:*

Q. What you were trying to make out was that last year was a heavy year and that any average would not be fair for last year?—A. No, I did not.

Mr. CARVELL.—He simply said to divide it by four was not a fair average for last year.

The CHAIRMAN.—He has said just now that to divide it by three and a half would be fair. What the witness says now is that three and a half years would be a fair way to take it.

*By Mr. Sharpe:*

Q. Didn't you say that last year was an excessive year so far as the cost of coal was concerned, you thought you paid more last year than any other year for the last four years?—A. No.

Q. You did not say that?—A. No.

Q. You did not say that? Then I misunderstood you. Take now from June, 1906, to June, 1910, that is a period of four years, isn't it?—A. It is.

Q. Yes, and your coal came to \$14,000 odd, didn't it, for that period?—A. No, to the end of March.

Q. You said that would cover to the end of June?—A. Because I thought it might.

Q. I am taking your own figures, you needn't try to hedge and equivocate.—A. I am not trying to equivocate.

Q. I do not know what you would call it then. During the four year period the coal came to \$14,000?—A. Yes.

Q. Then why would you divide it by three and a half instead of by four?—A. Because we purchase our coal, make contracts for our coal in April and May, get part of it in June.

Q. And in June, 1906, you got in a considerable quantity of coal for the next year?—A. Yes.

Q. So that it averages up just the same, doesn't it?—A. It may or may not.

Q. Is not that a fair statement for the four years extending from June, 1906, to June, 1910?—A. I don't know that it is, Mr. Sharpe.

Q. If you cannot do any better I will let it go at that. Does the government pay any portion of the insurance on these buildings?—A. They don't pay any.

Q. You are sure of that?—I am sure of it.

Q. Have they electric fixtures belonging to the government insured?—A. I don't know.

Q. You don't know about that?—A. No.

Q. They do not pay to the Woods Company any insurance on the building?—A. No, sir.

Witness discharged.

Mr. JAMES ALBERT ELLIS, called sworn and examined:

*By Mr. Sharpe:*

Q. You are the city treasurer?—A. Yes.

Q. And ex-mayor of the city of Ottawa?—A. Yes.

Q. And the city of Ottawa owns the municipal electric light plant?—A. Yes.

Q. Would you kindly tell us how the quantity of electricity going into the Woods

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and Canadian buildings is measured?—A. Well, perhaps before I go any further I might just make a statement if the committee will permit me. In addition to being city treasurer I am secretary to the electric commission and I suppose it is in the latter capacity that I am called here. The city owns the municipal electric light plant, having bought it from the Consumers' Company, and we took over the business, another company, the Ottawa Electric Company, being also in existence. It was recognized by the city when we bought the plant, and has been ever since, that the conditions were a little peculiar, and that the business of the electric department was perhaps not like an ordinary public business for the reason that there was another company in existence. The city passed a by-law appointing an electric commission, and in that by-law they authorized the electric commission to manage the electric department practically as they saw fit without coming to the council to report or without informing the council of the details of the business, except that they were bound to make an annual statement to the council. My instructions from the electric commission have always been not to disclose the business of the commission without their authority. I have taken some little advice on this matter, and what I want to say is this: You see, I am in the position of a civic official. I have my duty to the city and to the ratepayers. Anything that the council or the electric commission might choose to ask me I would frankly answer, and I understand that this committee has the powers of a court. That being so, I feel too that I will answer to this committee any question or produce anything to the committee which the committee thinks I should answer or produce. Now, having made that statement, I suppose we can go on. I want it understood that I am entirely in the hands of the committee.

Q. Exactly. When did the city take over the plant from the Consumers Company?—A. We bought the plant in July, 1905.

Q. And would you regard the government business as good business for the city?—A. Oh, it is good business.

Q. Good business for the city?—A. Yes.

Q. Would the city have given the government at the time latter awarded the contract to the Woods people the same rates as they gave to the Imperial Realty Company?

Mr. CARVELL.—Just a moment. Mr. Chairman, I object to this question as a hypothetical one unless there will be some evidence that the government had an offer or contract or something of that kind. This witness is not entitled, in my opinion, to come here and say what would have been done if any application had been made by the government. If an application had been made, of course that would have been a different thing.

Mr. SHARPE.—But surely this is the essence of the whole thing? The Hon. Mr. Pugsley said yesterday, 'Bring a city official here and see what the city would have done.' That is just the course we have followed. Surely we are entitled to find out what the city would have done for the government at the same time that these contracts were made. Why, it goes to the very essence of the thing. If the government had made application—and it is their own fault if they did not do so—we are entitled to know whether the city would have given them the same rate as they granted the Imperial Realty Company. Could there be a fairer question than that?

The CHAIRMAN.—Would this witness know?

Mr. CARVELL.—It is not so much a question of what they would have done five or six years ago as what they would do to-day. The question we are investigating here is with respect to the financial year, 1908-9: has the department paid a reasonable and fair price for the electricity consumed in these two buildings. Now, my hon. friend will confine his question to what the commission would have done in those years, while I do not think it is a proper question, I will withdraw the objection so far as that is concerned.

Mr. SHARPE.—I will put the question in this way: If the government, at the time the Imperial Company contracts were entered into with the city, had applied to you



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for a contract extending for the same length of time as the Imperial Realty Company's contract, would you have given them the same rates as you have given to the company?

The CHAIRMAN.—I think you will have to confine the question to this year.

Mr. SHARPE.—I am confining it to this year.

The CHAIRMAN.—The evidence is that this contract was entered into by the Woods Company, or the Imperial Realty Company under peculiar conditions.

Mr. CARVELL.—Under peculiar conditions and before the electric light plant passed into the hands of the Civic Commission. If my hon. friend would apply his question to the last financial year I would have no objection, although I think it is an improper one.

Mr. SHARPE.—Surely if the government had made application to the city for the same contract as the Imperial Company obtained, which governs to-day, that gets at the reasonableness of these prices.

The CHAIRMAN.—The Imperial Realty Company contract was made in 1903.

Mr. SHARPE.—It could not have been made with the city at that time.

The CHAIRMAN.—The city took over the contract.

Mr. SHARPE.—The city did not. The city made a new contract, and I will examine the witness on that point.

The CHAIRMAN.—You can ask the witness as to that.

*By Mr. Sharpe:*

Q. You say the city bought the plant in 1905?—A. In July, 1905.

Q. After they purchased the contract did they make a new contract with the Woods Company?—A. I will explain.

Q. I just want to know whether there was a new contract. I don't want you to say whether it was in the terms of the old contract or not; was there a new contract made between the Woods Company and the city?—A. I can hardly answer that question yes or no, but I can answer it in this way: there were two contracts for the Queen's building and the Woods' building in existence when the city bought the plant. There also was negotiated between the Consumers' Company and Mr. Woods a contract for the Canadian building, which was pretty nearly erected then, but the contract for the Canadian building had not been signed. We considered as the city that we were bound, because we had undertaken to assume the contracts for the Consumers' Company, to take over all these contracts, and we did. The way in which it was done though was this: You see, there was nothing signed so far as regards the Canadian buildings—that was only after the city purchased—but what was done and what was signed was this: a contract was signed just in exactly the words of the contract for the Queen's building and for the Woods' building, and making of course the contract that had been negotiated for the Canadian building, and it was all put in in one contract.

*By Mr. Carvell:*

Q. It was an extension of the old contract?—A. It was not an extension, simply a carrying it forward, because it was for exactly the same term as the old one, there was no change whatever.

Q. An addition to it then?—A. Yes, an addition to it.

*By Mr. Sharpe:*

Q. The addition was the Canadian building?—A. Yes, that is right.

Q. And as far as the Canadian building was concerned, at the time the city entered into the contract with the Imperial Realty Company would the city have given the government the same rate with regard to the Canadian building?

(Question objected to by Mr. Carvell.)

Mr. SHARPE.—Surely I am entitled to ask that question.

The CHAIRMAN.—I am inclined to think you can answer that question.

A. I think they would, yes.

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*By Mr. Sharpe:*

Q. What would have been a reasonable rate for the city to have given the government at that time for the Canadian building?

(Question objected to by Mr. Carvell.)

Mr. SHARPE.—Surely that is a reasonable question; I am entitled to ask that.

Mr. CARVELL.—That is simply an underhand way of getting in the contract which has been ruled out.

The CHAIRMAN.—I have ruled that I look upon that as an extension of the old contract, the Canadian building was already under contract.

Mr. SHARPE.—No, no.

The CHAIRMAN.—Well, it was practically under contract.

Mr. SHARPE.—Simply under negotiation.

The CHAIRMAN.—Yes, it was under negotiation, negotiated so far that they felt bound to carry it out.

The WITNESS.—That is it, I think so.

The CHAIRMAN.—They could not have retired without a technical breach of contract, although perhaps there was no legal claim.

Mr. SHARPE.—You rule against me on that, that I can't have the price of the new contract although it was concluded with the city?

The CHAIRMAN.—No, because it was an extension of the old contract.

Mr. SHARPE.—Well, I have to abide by your ruling although I do not think it is in the public interest.

Examination of witness resumed.

*By Mr. Sharpe:*

Q. What is your flat rate for a large building in the city?—A. \$2.25 for a 16 candle-power lamp.

Q. What are the dimensions or the sizes of the lamps?—A. 16 candle-power.

Q. What are the sizes of the lamps in the Canadian or the Woods buildings?—A. 16 candle power.

*By Mr. Carvell:*

Q. That is per year?—A. That is per year.

*By Mr. Sharpe:*

Q. Do you consider the government buildings are much more favourable business to the city than commercial buildings?—A. I would consider them a good business.

Q. Would you consider a rate of one half of that from the government, \$1.25 per lamp?—A. Well, perhaps I should say this: We have a tariff of rates which is approved by the Hydro-Electric Power Commission, and of course we have no power to vary that without their consent, I have no authority to quote any price different from the tariff given by the Commission without going to them, and then going to the Hydro-Electric Power Commission. Of course in a special case like the government I might go—

Q. You might go specially to the commission?—A. I might go to the Electric Commission and ask them what they would do, and then go to the Hydro-Electric Commission and see if they approved of it, but as to what we would do I can't say.

Q. You would have to apply to the Electric Commission?—A. Yes.

Q. And the government is in a special position, in a different position altogether from the ordinary commercial building or a house?—A. In a different position to a house, of course.

Q. Or in an ordinary commercial establishment?—A. Well, as I say, it is what I would call a large business.

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Q. Better business than the ordinary commercial rate?—A. Very good business, I should say.

*By the Chairman:*

Q. You are sure to get paid?—A. Yes.

*By Mr. Sharpe:*

Q. At the rates that the Imperial Realty Company are paying, does the city lose any money on that business?

*By Mr. Carvell:*

Q. Just a moment—I do not think that is a proper question unless the witness can establish exactly how much it cost to run one 16-candle power lamp?—A. I really could not answer the question.

Q. I know enough about the electric business myself to know that?—A. I will tell you why; I could not distinguish between what profits we get from one customer and what we get from another; I can only take it in the bulk and see what it is.

Q. And at the end of the year you could see what the profit is?—A. We do, of course, try, as between one customer and another, to be as equitable as we can and to charge one man the same as another, and for business purposes there is this one uniform flat rate.

*By Mr. Sharpe:*

Q. Do you do any government business?—A. We do not.

Q. Has the government made any application to the city?—A. No.

Q. Is the government lighting done by tender, do they ask for tenders?—A. I don't know.

Q. Have you ever seen any tenders asked for by the government?—A. I have not.

Q. Do you regard the rates that you are now receiving on the flat rate basis in the Woods and Canadian buildings as reasonable rates?—A. We are not complaining.

Q. You are not complaining. What is the number of lights in the Woods and Canadian buildings?—A. Well, they are counted by our staff every two or three months; the last count they had, I think, was perhaps a couple of months ago, and I think it was around 2,000.

Q. 2,000 lights?—A. Yes, that is the Woods and the Canadian buildings, of course, exclusive of the Queen street building.

Q. Well, you are paid by meter rate on the Queen street building?—A. Yes, full meter rate.

Q. And on the other buildings it is a flat rate?—A. Yes, it is a flat rate; of course, I should mention there is considerable power in those two buildings too.

Q. Power for what purpose?—A. For the elevators.

Q. For the elevators?—A. Yes, I think there is about 60 horse-power.

*By Mr. Carvell:*

Q. What was that; I did not just catch that?—A. I say there is power in the buildings as well; of course, if we hadn't the flat rate we would be charging for power as well as the lights.

Q. Well, you do charge them for the horse-power?—A. We do charge them for some, some is under the flat rate, and some we charge for, it is all mixed up, but there is about sixty horse-power, if I remember right, that properly should be paid for.

Q. What do you receive for horse-power?

Mr. CARVELL.—I object to that. That is, of course, under the old contract?—A. Now, I can tell you what the standard rate per day is.



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*By Mr. Sharpe:*

Q. What is it?—A. \$25.

Q. Your standard rate for horse-power is \$25 and the government is paying the Woods Company \$30, there is a rake-off there on the standard price of \$5 per horse-power?—A. I am not sure whether it is billed at that or not, our tariff is \$25 for power by alternating current and \$30 is our charge for direct current.

*By Mr. Carvell:*

Q. And this is by direct current?—A. I do not know that, I just mentioned this because I do not know.

Q. We can prove that it is direct current.

*By Mr. Sharpe:*

Q. You are not receiving \$30 from the Woods Company for each horse-power.

Question objected to by Mr. Carvell.

A. I do not know what we are receiving for that particular part of it because it is bulk.

Q. For the bulk of it, but you had a part of it that is measured?—A. Yes.

Q. And that is considerably less than \$30?—A. Yes.

Mr. CARVELL.—Mr. Sharpe, have you the specification or anything there referring to the installation of the elevators?

Mr. SHARPE.—No.

Mr. CARVELL.—If you have it will show you that it is direct current, I know that it is direct current, and it must be among the papers somewhere. I am right, am I not, Mr. Hunter? I know I have seen it among the papers somewhere.

*By Mr. Sharpe:*

Q. Would you state what you think you, as secretary of the Electric Commission, would consider a reasonable rate to-day to charge the government?—A. Well, as I say——

Mr. CARVELL.—That is by meter rate?

Mr. SHARPE.—No, flat rate.

A. Well, as I say the commission——

*By Mr. Sharpe:*

Q. What would you recommend the commission to charge?

Mr. CARVELL.—I object to the question. The commission have laid down a rate, and until the commission change that rate we haven't any right to interfere with it at all.

Mr. SHARPE.—Here is the manager of the company, who practically manages the whole business, and he knows what the Woods people are paying.

Mr. CARVELL.—He can only say that the meter rate laid down by the commission is 8 cents with 10 per cent off. I do not think this witness would feel like swearing that he would recommend anything less to anybody else. Even if I had any evidence that the commission would accept that recommendation, I do not think that is pertinent.

The CHAIRMAN.—Mr. Sharpe, what have you to say as to that?

Mr. SHARPE.—When the manager of the commission of the city of Ottawa Electric Light Company is asked the question what he would recommend to the government under existing circumstances, he knows what the service is, he knows it is a favourable service and in a different position altogether from the ordinary commercial or residential service, surely I am entitled to his opinion as to what is a reasonable rate and what he is prepared to do for the government?

Mr. CARVELL.—I am willing to allow this question to go in if my hon. friend would

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ask the witness whether he would feel like recommending the commission to accept less than the ordinary rate. I am willing to allow that, that is for the meter rate.

Mr. SHARPE.—I am not speaking of the meter rate at all.

Mr. CARVELL.—That is what I want.

Mr. SHARPE.—There is a flat rate as well as a meter rate.

The CHAIRMAN.—I will allow you to do this, you can ask him for both, the flat rate and the meter rate.

Mr. SHARPE.—Yes, but it is self evident that the meter rate would not be less. I do not want to ask him that, because it will be self evident.

Mr. CARVELL.—I want that question asked.

Mr. SHARPE.—You can ask him that.

Mr. CARVELL.—I will object to the one question unless my learned friend asks both.

The CHAIRMAN.—You had better ask both questions, Mr. Sharpe, that is what I suggested myself.

Mr. SHARPE.—I have no objection to ask both questions, but it is so ridiculous to do so, it is quite self evident that the meter rate will be the same.

Mr. CARVELL.—We know it is ridiculous, they are paying the same rate as others.

Mr. SHARPE.—They are only paying half the flat rate.

Mr. CARVELL.—We don't know anything about that at all. I know that the government are paying \$2.25.

Mr. SHARPE.—That is the regular rate, the government is paying under the flat rate without competition.

Mr. CARVELL.—Here is another building where my learned friend says the people at 5 o'clock in the afternoon, and the cost of lighting it by meter rate runs up to somewhere about \$5 for each lamp.

Mr. SHARPE.—And they can't explain it.

Mr. CARVELL.—Well, this witness says the meter is wrong.

*By Mr. Sharpe:*

Q. The object of the meter is to register the amount of fluid that is used?—A. Yes.

Q. And would you recommend the lowering of the meter rate of 8 cents, less 10 per cent off?—A. I would not under any conditions recommend that any less meter rate be charged. We are charging the same meter rates to everybody.

*By the Chairman:*

Q. The government and everybody else?—A. Yes.

*By Mr. Sharpe:*

Q. Would you be prepared to recommend to the Electric Commission a reduction in the flat rate as regards these departmental buildings on account of the special circumstances?—A. I think I would. I am not prepared to say to what extent.

Mr. CARVELL.—You had better go on and ask him what he would supply electricity for at the flat rate. If the government are paying a certain figure at the meter rate we would like to know what they would have to pay on a flat rate.

The WITNESS.—I said I was not prepared to say what I would do.

The CHAIRMAN.—Mr. Sharpe has already asked him about the meter rate, and he says he would not make any reduction.

The WITNESS.—No.

Mr. SHARPE.—He says he would recommend a reduction in the flat rate, but would not say to what extent.

*By Mr. Sharpe:*

Q. I also understood you to say that so far as the Canadian building is concerned at the time the contract was made you would have given the government the

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same rate as was granted to the Woods building?—A. Yes, I think I said I would, or I thought we would have done so.

*By Mr. Carvell:*

Q. Would you do so to-day?—A. We would certainly give them the standard rate to-day.

Q. That is \$2.52?—A. \$2.52.

*By Mr. Sharpe:*

Q. Wouldn't you give them a better rate?—A. We might recommend something less, but I don't know to what extent I would go. It depends upon what the Ottawa company would do.

Q. How long has the contract with regard to the Canadian building to run?—A. It is contemporaneous with the lease to the government.

Q. So the contract which was made in regard to the Canadian building governs the price this year?—A. Yes.

Mr. SHARPE.—Now, Mr. Chairman, this is the position that we are in: the witness says that he made a contract in regard to the Canadian building in 1905, covering the term of the lease, and he would have made the same contract with the government. Surely I am entitled to know what the figure was.

The CHAIRMAN.—The witness said they were not entering into that contract, but that they were completing a contract that the Consumers' Company had entered into.

Mr. CARVELL.—And that he would not make that contract to-day.

Mr. SHARPE.—He did not say that.

Mr. CARVELL.—He said that the standard rate would have to be paid.

The CHAIRMAN.—The witness said that he might have made a contract with the government similar to the one with the Woods Company at that time, but that he would only grant the standard rate to-day.

The WITNESS.—I said I might make a lower rate, but that I was not prepared to say how much lower than the standard. That is what I said.

Mr. SHARPE.—Surely when the witness has stated that he would have given the government the same rate as he gave the Woods Company in regard to the Canadian building, and that covers the present year, I am entitled to find out what rate the company pays for the Canadian building.

The CHAIRMAN.—You have asked him several times and he says, 'I would give the standard rate and might recommend a reduction.'

The WITNESS.—That is it exactly.

*By Mr. Sharpe:*

Q. Would you recommend the making of a contract with the government at the same rate that is charged at present for the Woods building which is \$1.25 per lamp?

The CHAIRMAN.—We don't know that.

Mr. SHARPE.—I am asking the question and the witness can object if he wants to.

The WITNESS.—I don't think I would recommend that reduction.

Q. At the present time you would not recommend it?—A. No.

Q. At the time of the contract for the Canadian building would you have recommended it?—A. Yes. At that time we had a certain quantity of power to pay for whether we used it or not and we had to use it. It is not so to-day.

Q. And if the government had entered into a contract with you for the lighting of the Canadian building you would have given them the same rate as the Imperial Realty Company is getting?—A. I think we would.

Q. Now, if the government had applied to you at the time of the contract what rate would you have given them?



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Mr. CARVELL.—I object to that.

The CHAIRMAN.—That is only another roundabout way of getting at the contract.

Mr. SHARPE.—Surely we are entitled to know that to see whether the present price is reasonable or not. If the witness has no objection to answering the question, why do you, Mr. Carvell object.

Mr. CARVELL.—I am going to object.

Mr. SHARPE.—On what ground?

Mr. CARVELL.—On the ground that you are attempting to get the contents of a document that has been ruled out more than a dozen times.

Mr. SHARPE.—Because the other witness objected to its production.

Mr. CARVELL.—Now I am objecting.

The CHAIRMAN.—The other witness objected on behalf of the company to have their private business exposed. This witness has neither raised objection nor said he would give the information.

The WITNESS.—I am in the hands of the committee.

The CHAIRMAN.—What the witness has said is this: in 1905 he would have probably given the same rates to the government that were granted to the other company and he gave as a reason that at that time they had a lot of surplus power they wanted to sell.

The WITNESS.—Yes.

The CHAIRMAN.—He says that condition does not exist now and therefore he would not give them a contract.

Mr. CARVELL.—At the ordinary rate.

The CHAIRMAN.—He says that condition does not exist now and therefore he would not give them a contract.

Mr. CARVELL.—At the ordinary rate.

The CHAIRMAN.—He said he would give them the standard rate, but would recommend a reduction and that that was subject to the approval of the Hydro-Electric Commission.

Mr. SHARPE.—If the government had made a contract for the balance of the term in regard to the Canadian building they would have got the low rate.

The CHAIRMAN.—For the reason which he gives.

Mr. SHARPE.—We are surely entitled to know what the rate was.

The CHAIRMAN.—I think not. We cannot go back to the old contract.

Mr. SHARPE.—When the other witness objected to answering you instructed him not to answer.

The CHAIRMAN.—Under a ruling which I gave a dozen times at least.

Mr. SHARPE.—The other witness objected to giving the information on personal grounds because it was a private contract, but you refuse to allow this witness, who has not objected to giving the information, to answer.

The CHAIRMAN.—This witness has simply said that he was in the hands of the committee.

Mr. CARVELL.—I object to the information being given because I do not know it is right that the private business of a company, where it is a company, should be exposed.

The CHAIRMAN.—I have so ruled a dozen times.

Mr. SHARPE.—This is a contract with the city of Ottawa which is exposable to the ratepayers. The contents of the contract are going to be known because every ratepayer is entitled to its production.

Mr. CARVELL.—Let them go and get it. This committee are not the ratepayers of the city of Ottawa.

*By Mr. Sharpe:*

Q. So I understand, Mr. Chairman, that you rule before the witness refuses—

The CHAIRMAN.—I instructed him—

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Mr. SHARPE.—The witness has been asked a question, and before the witness refuses you instruct him not to answer.

The CHAIRMAN.—Objection was taken, and I instructed him not to go into the old agreement.

Mr. SHARPE.—Objection is taken by Mr. Carvell and you instructed him not to answer?

Mr. CARVELL.—There is no mistake about that; I took the objection.

*By Mr. Sharpe:*

Q. I think that is all, Mr. Ellis—oh, just excuse me a minute. The lights are \$2.52 a year, are they? That is the regular rate now?—A. That is the business rate.

Q. Let us see how that figures out even at that rate, because I think it will be very disadvantageous to the government—A. Of course, those are the lights that are in the Woods building and the Canadian building alone, not in the Queen street building; of course, I haven't a memo of that because it is under meter.

Q. So that the cost of lighting last year was \$9,465.91 in the Woods and the Canadian buildings? If there were 2,000 lights, and I understand there are not that many lights—A. Just about that number.

*By Mr. Carvell:*

Q. Mr. Linton says there are between 2,200 and 2,300?—A. On the last count there were about that many.

The CHAIRMAN.—The evidence so far is this, that the previous witness said he did not know about the number of lights, but he considered there were between 2,200 and 2,300; somewhere about that. This witness said just now though there were somewhere about 2,000.

*By Mr. Sharpe:*

Q. Well, we will take 2,000 at \$2.52 per light and the cost of lighting the Woods and Canadian buildings would be \$5,040?—A. Yes.

Q. And we pay \$9,465.91?—A. Of course there is power in addition to that.

*By Mr. Carvell:*

Q. And the witness says there is power in addition to that, so that the power comes off that.—A. It would be added on to that.

*By Mr. Sharpe:*

Q. No, it is added on to that, there is a rake-off in the power alone of \$1,000, independent of that altogether. So this rake-off in the lighting alone, even at the maximum rate that the city would charge is \$4,425.91 that the Imperial Realty Company has made?—A. I am not saying anything about a rake-off.

Q. No, you are not saying that, I would not put those words in your mouth, that is the profit they are making, I wish you to verify that?—A. I don't know about that.

Q. The Auditor General's Report here shows an expenditure for lighting of \$9,465.91?—A. Of course I don't know anything about the Auditor General's Report.

Q. I ask you to verify these figures?—A. 2,000 lights at \$2.52 is a very simple calculation of course.

Q. It is \$5,040?—A. Yes.

Q. The difference being \$4,425.91. That will be all, Mr. Ellis.

*By Mr. Carvell:*

Q. I just want to ask one or two questions, Mr. Ellis. In 1905 what meter rate were you charging your patrons in the city of Ottawa for commercial light?—A. Well, we do not charge commercial light on the meter, that is all on the flat rate.

Q. Well then, what was your rate for lighting in 1905 by meter?—A. By meter?

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Just the same as it is to-day, only we put it in a different way; then it was 12 cents with 40 per cent off, now it is 8 cents with 10 per cent off.

Q. But the result is the same?—A. The result is exactly the same.

Q. Then if the department had applied to you in 1905 for light through the meter they would have got the same rate as they are getting to-day?—A. Certainly.

*By Mr. Sharpe:*

Q. They would not apply for a meter rate, they were not giving meter rate for commercial uses?

*By Mr. Carvell:*

Q. How do you know whether the power in the Woods building for the elevator is direct or alternating current?—A. I do not know, it is just as likely to be direct as alternating, because many of these elevators are direct.

Q. Do you have a plant in the city for converting the alternating into the direct current?—A. We have to have a machine at the distributing station for that purpose.

Q. And is it because of the extra expense in converting it that you charge \$5 more for direct than for alternating current?—A. Yes, it is to cover the expense of the machine.

Q. To cover the expense of converting it over?—A. Yes.

Q. And your converting station is on Laurier avenue?—A. Yes. In addition to that you have to run a separate line, entirely distinct, for direct current; you cannot run the alternating current over a common line.

Q. Then it would require separate lines for direct current to that furnishing the alternating current?—A. Yes, entirely separate.

Q. I want you to look at these bills, Mr. Ellis, (producing Auditor General's file of vouchers). Did these bills come through your office?—A. Those bills came from the Municipal Electric Light office.

Q. I am referring now to the electric light bills in the file dated April 22, 1908, April 22, 1908, and April 22, 1908, again; also others that carry it up to September.—A. Yes, these come from the Electric Light Company's office.

Q. And they are all made out by your company against J. W. Woods?—A. What was done was this: I understand this arrangement was made in the Consumers' Company's time, and has been carried out ever since. As a matter of fact, I didn't know anything about these bills, personally, until the other day, since this investigation commenced.

Q. But they come from your office?—A. Yes, but what I find is this, that the Consumers' Company put meters in these buildings, and that the meters have been read, and there was the same arrangement with regard to the Caandian building, the meters have been read every three months by the civic officials—the meters, of course, are government tested and all that sort of thing, and I haven't any doubt the meters are correct—they have been read every three months by the civic officials, and these are statements of what the meter readings show which were given to Mr. Woods.

*By Mr. Goodeve:*

Q. Do you look upon the government office as a commercial house or dwelling house for the purpose of charging?—A. They are not dwelling houses.

Q. Then, ordinarily you will put them on a flat rate?—A. Oh, I think they are nearly all business.

Q. You think they come in the same category?—A. I think so.

Q. Well, with regard to the accounts—

MR. CARVELL.—I wasn't entirely through with this witness.

MR. GOODEVE.—I beg pardon, I thought you were; I do not want to interrupt you.

MR. CARVELL.—Well, I will say this, for my hon. friend has always conducted him-



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self as a gentleman, and I only wanted to tell him I was not entirely through with the witness. I realize that he would not have interrupted had he not thought I had concluded my examination.

*By Mr. Carvell:*

Q. Mr. Ellis, do you mean to tell me that you do not light any stores in the city of Ottawa by meter?—A. No, I do not think we do.

Q. You don't know, you won't swear you do not?—A. I do not remember one just now.

Q. How do you light the churches?—A. On meter.

Q. Altogether on meter?—A. Yes, altogether.

Q. You charge them the same rate that you do to dwelling houses?—A. Yes, and they are very bad business even at that.

Q. They are too much trouble, is that it?—A. They use very little light.

Q. I was just wondering if you made any special charge for their lights?—A. No, just charge them the ordinary meter rate, but that does not pay us in comparison with other business.

Q. What do you do with the theatres?—A. Well, we have no theatres ourselves, that is the municipal department, but we did quote a meter rate to Bennett's theatre, I remember.

Q. Was it a meter rate?—A. Well, I think they are paying a meter rate now to the Ottawa Company.

Q. And you say there is a meter rate on the Queen's building now?—A. There is a meter rate on the Queen's building, yes.

Q. For how long has that existed?—A. Always.

*By Mr. Goodeve:*

Q. Have you any objection to stating what your lowest flat rate for 16 candle power is? That is, your minimum flat rate charged to anybody. I am not asking for any details.—A. \$2.52.

Q. That is your lowest rate?—A. Yes.

*By Mr. Sharpe:*

Q. You mean outside of the rate to the Imperial Realty Company?—A. It is our schedule rate of course, \$2.52. In the olden days there used to be all kinds of rates and we regarded that as not being fair to anybody, either to the city or to the users.

Mr. CARVELL.—It was not, either.

The WITNESS.—No. And soon after we bought the Consumers' plant the first thing we did was to establish a new schedule. We have never deviated one hair's breadth from that schedule. There are only one or two cases like this old contract that was entered into before that. Now everybody gets the same.

*By Mr. Carvell:*

Q. Now, in renewing these contracts, or extending them, do you bring them under the new schedule?—A. Yes, just as any old contract expires it comes under the schedules.

*By Mr. Sharpe:*

Q. Excepting this contract?—A. It has not expired, it is still running.

Q. It has been renewed?—A. No, it has not been renewed. There was no contract in regard to the Canadian building.

The CHAIRMAN.—The witness has already explained that they were simply carrying out a contract that had been made by their predecessors.

The WITNESS.—Carrying out an arrangement, yes.

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The CHAIRMAN.—They felt bound to carry it out although the contract had not been signed.

The WITNESS.—That is right.

*By Mr. Goodeve:*

Q. You were shown some accounts by Mr. Carvell. For the purpose of payment to the city those accounts have no effect whatever?—A. None whatever.

Q. None whatever?—A. No.

Q. You simply have your own civic officials do the meter reading for the convenience of these men and render their bills?—A. For the information of Mr. Woods, that is all.

Q. Do you make any charge for keeping that account and reading the meter?—A. No, we don't keep an account, it is only just giving the meter readings.

Q. And you make no charge for that?—A. Oh, no.

*By Mr. Sharpe:*

Q. As I understand you, all the commercial rates you have are flat rates?—A. Without looking everything up one cannot tell. I do not know, speaking from memory.

Q. Why were these bills made out by the city if the Imperial Realty Company pays on the flat rate?—A. Well, as I say, they are not really bills, they are merely readings of the meter.

Q. They are made in the form of bills?—A. Yes.

*By Mr. Carvell:*

Q. Are they any different to the bills to any other of your patrons?—A. They are the same form of bills.

*By Mr. Sharpe:*

Q. Made out to Mr. Woods?—A. Yes.

Q. Who asked you to make these out?—A. Well, I have inquired—I mean personally, as I said to Mr. Carvell, I had no knowledge of these bills ever being made out until this inquiry started, and I began to look into this. Mr. Woods asked the accountant to make them out.

Q. Why?—A. I don't know; I am stating merely what I was told. The accountant told me that it was merely so that he would know what his charges would be on the meter basis.

*By Mr. Goodeve:*

Q. Are there any other bills which go out in the same way to any other corporation?—A. There are not. I have inquired into that, as I say, just recently.

*By Mr. Sharpe:*

Q. How many meters are there in the two buildings?—A. I don't know exactly how many meters there are, but I know there are sufficient to answer for all the current that is used.

Q. To register all the current? Are there any wires that run in there for lighting purposes that are not on the meter?—A. Not to my knowledge.

Q. Your opinion is that all the—

Mr. CARVELL.—Do not give us your opinion, let the witness answer.

Mr. SHARPE.—I am going to frame a question and not make a statement.

Mr. CARVELL.—Unfortunately though they appear as statements.

The CHAIRMAN.—Go on, Mr. Sharpe.

Mr. CARVELL.—It is an unfair way of putting questions.

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*By Mr. Sharpe:*

Q. What is your opinion?—A. About what.

Q. As to the electricity that is used for lighting purposes; is it measured by meter?—A. It runs through meters and I have no doubt it is. I think the bills indicate that.

*By Mr. Carvell:*

Q. Would you feel like saying that the light that is consumed in the private office of the Imperial Realty Company in one corner of the Canadian building goes through the meter?—A. I can't say that goes through. I don't know.

Q. Mr. Linton said it doesn't?—A. As I say, I don't know anything about it.

*By Mr. Sharpe:*

Q. Who would know that?—A. The electrical superintendent, Mr. Brown.

*By Mr. Carvell:*

Q. So anybody could go down there and probably find out by looking at it?—A. Oh, yes. I don't think it is at all likely.

*By Mr. Sharpe:*

Q. That what?—A. That any light used in Mr. Woods' office runs through the government meters.

*By Mr. Carvell:*

Q. I have some bills here, Mr. Ellis, are these from your office?—A. (After examining bills.) They are from my office, yes.

Q. Are they your bills against Mr. J. W. Woods?—A. Yes.

Q. Those are Queen street?—A. Those are quite proper, you see, those are Queen street charges.

Witness discharged.

Committee adjourned.

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

MONDAY, May 2, 1910.

The Select Standing Committee on Public Accounts met at 11 o'clock a.m., Mr. Nesbitt presiding in the absence of the Chairman.

The committee proceeded to the further consideration of certain payments to the Imperial Realty Company and the city of Ottawa for rent and taxes in connection with the Woods building on Slater and Queen streets, Ottawa.

Mr. J. E. BROWN, called, sworn and examined:

*By Mr. Sharpe:*

Q. What position do you occupy in the municipal electric lighting plant?—A. Electrical superintendent.

Q. Have you personal knowledge of the meters and apparatus and wires that enter into the buildings in this city?—A. Yes.



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Q. How long have you occupied that position?—A. Since the city started in the electrical business.

Q. And were you employed by the Consumers' Company before the city took over the plant?—A. Yes.

Q. Were you employed by the Consumers' Company at the time the electric wires were connected with the Woods building were first installed?—A. Yes.

Q. And did you superintend the installation?—A. Yes.

Q. So you know all about this matter?—A. Well, I know about the installation.

Q. When the wires were first installed in the Woods building was there a meter to measure the electricity?—A. In the Woods factory?

Q. Yes?—A. No.

Q. How long did that continue; while Woods occupied part of it as a factory?—A. Well, I could not say off-hand just how long it continued, but when he moved from one part to the other and rented it to the government we put on a meter for him.

Q. When he rented it to the government a meter was put on?—A. Yes.

Q. So the electricity used by the government was metered?—A. For the electric lights, yes.

Q. Was there any electric light used by Woods that was metered?—A. No, I don't think it.

Q. So the lights that the Woods manufacturing establishment continued to use were not?—A. Metered.

Q. Were there two separate wires that went into the building?—A. Yes.

Q. One lighting the Woods department?

Mr. CARVELL.—That is favourable to your position.

The WITNESS.—There were more than two wires. There were wires entering for the lighting, and wires entering for the power for the elevators.

*By Mr. Sharpe:*

Q. For the power which they used in the manufacturing establishment?—A. Yes.

Q. And the power used for the Woods Company was not metered?—A. No.

Q. So that all the government paid for was what was metered?—A. What was metered for the lighting.

Q. The balance of the light and power for the Woods Company was not metered at all?—A. The balance for the Woods Company was not metered at all, nor the balance for the elevators on the government side was not metered.

Q. Is the same kind of current that is used in connection with the elevators used for lighting?—A. No.

Q. What is the difference?—A. One is a direct current and the other is an alternating current.

Q. Which is the most expensive?—A. The direct current.

Q. And which is used for the elevators?—A. The direct current.

Q. That is used for the elevators now?—A. Yes.

Q. Has it always been used?—A. Yes.

*By Mr. Carvell:*

Q. These questions refer only to the Woods building?—A. Just the Woods building, yes.

*By Mr. Sharpe:*

Q. What about the Canadian building? Was there any light used there that was not metered?—A. Yes, the lights in Woods' own apartments were not metered.

Q. You are positive about that, are you?—A. Yes, sir. He had a special loop put in there when he took his factory away.

Q. Just to light his own apartments?—A. Just to light his own apartments.

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Q. Does that light the basement or just his own office?—A. No, his own office and his boiler room.

Q. You are sure it connects with the boiler room?—A. Yes, I looked at it this morning before I came up.

Q. Does that connect with the lighting under the sidewalk?—A. The wires leading from the departmental buildings are cut off outside the wall of the boiler room, so that any lights beyond that would have to come from his own separate loop.

Q. How long has that arrangement continued?—A. That was ordered in by Mr. Woods when he moved his factory to Hull.

Q. That has not been changed lately?—A. No, sir.

Q. Have there been any changes in connection with the installation of wire for electric lighting?—A. No; except what extra lights the government have added themselves to the wiring in their side of the building.

Q. And is that regarded by the city as a commercial property?—A. How do you mean?

Q. Would that be in the commercial class? I understand——

Mr. CARVELL.—Is it the duty of this witness to make the contracts?

Mr. SHARPE.—He is the mechanical superintendent, and we can see what he does know.

Mr. CARVELL.—He perhaps knows how to put up the wires.

The WITNESS.—I would not like to answer that question. It belongs actually to the office department.

*By Mr. Sharpe:*

Q. All the commercial buildings are on the flat rate?

Mr. CARVELL.—He says he doesn't care to answer that question.

Mr. SHARPE.—He is not here to dictate what he shall answer or what is not a proper question to answer.

Mr. CARVELL.—The witness says he doesn't know.

Mr. SHARPE.—No, he doesn't; he hasn't said that at all.

*By Mr. Sharpe:*

Q. I understand from Mr. Ellis, ex-mayor and city treasurer, that the commercial rates are all flat rates?—A. That is in the stores they are all flat rates.

Q. And have you not public buildings similar to this Woods building or the Canadian building?—A. On that flat rate?

Q. On any kind of a rate?—A. We have on a meter rate, but not on a flat rate.

Q. What kind of building?—A. Any office buildings are usually run on the meter.

Q. Office buildings?—A. Yes.

Q. That is, city offices?—A. No, the ordinary general offices.

Q. What kind of offices, give us an instance?—A. Well, offices where they are let out. Offices where a man has a flat and lets them out in offices to the public.

Q. Lets them out to a sub-tenant—A. Yes, they are put on a meter.

Q. Is there any electricity that the government pays for on the meter that is not used in either the Woods building or the Canadian building?—A. I am not aware of any.

Witness discharged.

Mr. DAVID EWART, Chief Architect, Public Works Department, recalled:

*By Mr. Sharpe:*

Q. Have you the letter as to when each department went into possession?—A. Yes.

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Well, let us see them please. These are the letters relating to the Canadian building and those the letters relating to the Militia building (handing in documents.)

Mr. SHARPE:—I want these to appear in the evidence.

No. 315005.

## MEMORANDUM.

To Hon. WILLIAM PUGSLEY,  
Minister of Public Works.

From Office of the Chief Architect,  
Department of Public Works,  
Ottawa, Oct. 25, 1907.

Ref.

*Re* the occupation of the Canadian building.

Herewith is a letter from Mr. Woods, President of the Imperial Realty Co., stating that he has nearly moved out of the three top flats of the Canadian building and that the company is prepared to carry out the plans and make the building suitable for offices for the Department of the Interior and Agriculture. If it has been decided finally as to the arrangements of the offices, it would be well to have the plans showing the subdivision prepared, so that the work could be started.

(Sgd.) D. EWART,  
*Chief Architect.*

IMPERIAL REALTY COMPANY, LIMITED.

OTTAWA, October 23, 1907.

D. EWART, Esq.,  
Chief Architect, Department Public Works,  
Ottawa.

DEAR SIR,—As we are nearly moved out of the three top flats in the Canadian building and are prepared to carry out your plans in dividing up these floors in offices to suit your government, as per conditions already mentioned in our previous letters, and now that each day sees the weather less favourable for economically doing this work, we would appreciate your letting us know your pleasure at your earliest convenience.

We might say that the Hon. Sydney Fisher wants the flat on the top directly opposite to Mr. Blue's department. Mr. O'Hallaran informs me that he will make the formal application to-morrow while the Department of Interior now are able to do with four flats and part of the basement. This takes almost all of the space that remains in the building.

Awaiting your reply, we are,

Yours very truly,  
IMPERIAL REALTY CO., LTD.,  
(Sgd.) JAMES W. WOODS,  
*President.*

OTTAWA, December 14, 1907.

JAMES W. WOODS, Esq.,  
President, the Imperial Realty Co.,  
Ottawa, Ont.

DEAR SIR.—Referring to your tender of the 12th instant for partitions, doors, &c., to be erected on the fifth floor of the Canadian building. The price quoted,



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\$10 per lineal foot, for terra cotta brick walls, plastered both sides, with glass from top of walls to the ceilings or to the height required; ash panelled doors, architraves, frames, ground glass panel, hinges, locks, &c., complete for \$30 each; also tinting and patching of the old walls and ceilings at eight (8c.) per yard, has been accepted.

However, the glass over the doors has not been considered in this offer, and, considering the price, \$10 per lineal foot for the partition from the floor to the ceiling, \$5 would be a fair price from the top of the door to the ceiling for the part of the glass screen immediately over the door. If this is satisfactory, you can proceed at once with the work, and you know how important it is to have this work put through so the offices can be occupied with the least possible delay.

Yours truly,

(Sgd.) D. EWART,  
*Chief Architect.*

OTTAWA, December 31, 1907.

JAS. W. WOODS, President.  
Imperial Realty Co.,  
Ottawa.

In accordance with your request of this morning, I hand herewith the three plans of the Canadian building, showing the arrangement of offices on the second third and fourth floors (eastern half), that are to be occupied by the Department of the Interior.

The partitions, as indicated, are to be similar to those already given for the Auditor General's Department, and located on the fifth floor of this building.

(Sgd.) D. EWART,  
*Chief Architect.*

OTTAWA, December 31, 1907.

JAS. W. WOODS, President.  
Imperial Realty Co.,  
Ottawa.

DEAR SIR,—In reply to yours of the 26th instant *re* basins and closets to be installed in the Canadian building, your offer to instal the basins at \$50 each and closets also at \$50 each, is accepted as per your specification, and on the condition that all cutting and making good through concrete floors, walls or whatever required is included in that price. Your offer for the hardwood panel partitions between the water closets, including the doors, hinges, varnishing and everything complete at \$3.20 per running foot is also accepted. This price includes, hinges, fastenings, plates, everything complete.

Yours truly,

(Sgd.) D. EWART,  
*Chief Architect.*

No. 311579.

IMPERIAL REALTY CO., LIMITED.

OTTAWA, January 16, 1908.

D. EWART, Esq.,  
Chief Architect,  
Department of Public Works,  
Ottawa.

DEAR SIR,—We beg to conform our verbal agreement to alter and build to the ceiling all the present fixtures on the ground floor of the Canadian building in accordance with the plans already submitted by you, which includes counter,

## APPENDIX No. 2

drawers, cupboards, shelves, all additional glass to be chipped and all the work to be done exactly in keeping with that portion already installed for the sum of \$25 per lineal foot.

We further agree to accept \$500 for the aforementioned counter, &c. The work to be commenced at once and expedited to the utmost.

Yours very truly,

IMPERIAL REALTY CO., LTD.,

(Sgd.) JAMES W. WOODS,  
*President.*

No. 311579.

IMPERIAL REALTY CO., LIMITED.

OTTAWA, December 31, 1907.

D. EWART, Esq.,  
Chief Architect,  
Department of Public Works,  
Ottawa.

DEAR SIR.—Referring to your plans and details for corridors in the Canadian building, is it your intention to leave the space between the beams open for ventilation or do you want the faulight similar to what obtains over the doors, and if so, will it be of wired glass? In the latter case we beg to quote you \$13 for each opening complete. These partitions, of course, are only the corridors, the other ones being directly under the beams.

We are glad to report that all the brick walls are all built; the top flat, including the plastering, will be finished to-day. We are still awaiting plans for the ground floor and basement.

We would also appreciate your letting us know how we are to proceed with the basins, closets, &c., for which we gave you prices and tenders a few days ago.

We are able this morning to quote you the same prices for two or three-light fixtures as obtained in the past, namely, \$9.50 and \$11.75, also shades and table lamps at old prices.

We are ascertaining now from the different departments the number of lights they will require, and we would be glad to have you write us at your earliest convenience, instructing us to order these goods. These prices, of course, include wiring and installation. We expect to be able to give you a price for wiring the building, but cannot do so until the tenants state how many lights they want. Drop lights we are prepared to quote you \$2.25 each.

Awaiting your pleasure in these different matters, we are

Yours very truly,

IMPERIAL REALTY CO., LTD.,

(Sgd.) JAMES W. WOODS,  
*President.*

No. 311579.

DEPARTMENT OF MILITIA AND DEFENCE,

OTTAWA, March 16, 1910.

And quote No. H. Q. 650-2-1.

SIR,—In reply to your letter of yesterday's date, No. 188882, I have the honour to inform you that this department commenced to move into these quarters on or about December 1, 1903. The main part of the department was moved

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on December 8, but I find it on record that Major Benoit, the secretary, moved in about one week before that date.

As regards the elevator, it was installed and in running order at the time, and has been in running order ever since, except on several occasions when undergoing repair.

I have the honour to be, Sir,  
Your obedient servant,  
(Sgd.) EUG. FISET, *Colonel,*  
*Deputy Minister.*

The Deputy Minister of Public Works,  
Ottawa.

February 8, 1908.

The Imperial Realty Co.,  
Ottawa, Ont.

*Re Lighting Canadian Building.*

GENTLEMEN.—In reply to your letter of February 6, *re* duty on electric light fixtures, the price to be paid for the two-light fixtures will be \$11 instead of \$9.50.

The following are the rates to be paid by this department:—

Two-light fixtures.. . . .	\$9 50
Duty.. . . .	1 50
	<hr/>
	\$11 00 each.

Drop lights from feed wire at ceiling, complete, \$1.50 each.

Install wiring from main feed wire to each outlet, and also branch to switch outlet with switch, complete, \$1.50 each.

(Sgd.) D. EWART,  
*Chief Architect.*

FEBRUARY 8, 1908.

Memorandum.  
THE IMPERIAL REALTY CO.,  
Ottawa, Ont.

*Re Canadian Building.*

Your offer to provide and fit up window shades complete at the following prices is hereby accepted; these shades to be fitted up without the Powell patent adjuster:—

- 50-inch x 8 feet 6-inch at \$2.35 each.
- 50-inch x 9 feet 6-inch at \$2.55 each.
- 36-inch x 8 feet 6-inch at \$5.85 each.
- 86-inch x 9 feet 6-inch at \$6.10 each.
- 29-inch x 5 feet 6-inch at .57 each.
- 29-inch x 4 feet 6-inch at .51 each.
- 26½-inch x 3 feet 6-inch at .41 each.

Your offer to provide and fit up complete picture moulding at five (5c.) per lineal foot is also accepted.

(Sgd.) D. EWART,  
*Chief Architect.*



FEBRUARY 19, 1908.

THE IMPERIAL REALTY CO.,  
J. W. Woods, Esq., President.

*Re Canadian Building.*

DEAR SIR,—As the lease for this building is now in course of preparation and cannot be completed before the superficial area is settled, as according to your letter of April 24, 1907, 'the rate is to be 41 cents per sup. ft. inside the walls.' I am inclosing a statement of the measurements taken at the building, which you will kindly verify as to its correctness.

Basement....	181.6 x 31.6	=5,717.3	
Basement annex...	16.7 x 15.10	= 262.7	
			5,979.10
Ground or first floor...	182.6 x 31.10	=5,809.7	
Ground or first floor annex...	16.3 x 15.6	= 251.11	
			6,061.6
Mezzanine annex...	16.3 x 15.6	= 251.11	
			251.11
Second floor...	183.6 x 32.6	=5,963.9	
Second floor annex...	16.3 x 15.6	= 251.11	
			6,215.8
Third floor...	183.6 x 32.6	=5,963.9	
Third floor annex...	16.3 x 15.6	= 251.11	
			6,215.8
Fourth floor...	184.2 x 33.0	=6,077.6	
Fourth floor annex...	16.7 x 16.2	= 268.1	
			6,345.7
Fifth floor...	184.2 x 33.0	=6,077.6	
Fifth floor annex...	16.7 x 16.2	= 268.1	
			6,345.7
			37,415.9
Less portion occupied by Imperial Realty Co. on ground floor...			252.0
			37,163.9

The superficial area, 37,164 sup. ft., at 41 cents, would give a rental of \$15,237.24. Your early attention to this will greatly oblige,

Yours truly,

(Sgd.) D. EWART,  
Chief Architect.

February 21, 1908.

JAS. W. WOODS, Esq.,  
President, The Imperial Realty Co.,  
Ottawa, Ont.

*Re Canadian Building.*

DEAR SIR,—The following are the measurements which were taken at the above building with your Mr. Benbow:—

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Basement.. . . . .	181' 9" x 31' 5"	5,710' 0"
Basement annex.. . . . .	16' 7" x 15' 10"	262' 7"
Ground or first floor.. . . . .	182' 6" x 32' 1"	5,855' 3"
Ground or first floor annex.. . . . .	16' 3" x 15' 2"	246' 6"
Mezzanine annex.. . . . .	16' 3" x 15' 2"	246' 6"
Second floor.. . . . .	183' 3" x 32' 6"	5,955' 8"
Second floor annex.. . . . .	16' 3" x 15' 7"	253' 3"
Third floor.. . . . .	183' 7" x 32' 4"	5,935' 10"
Third floor annex.. . . . .	16' 3" x 15' 7"	253' 3"
Fourth floor.. . . . .	184' 0" x 32' 9"	6,026' 0"
Fourth floor annex.. . . . .	16' 7" x 15' 9"	261' 2"
Fifth floor.. . . . .	181' 1" x 32' 8"	6,013' 5"
Fifth floor annex.. . . . .	16' 7" x 15' 9"	261' 2"
		<hr/>
		37,280' 7"
Less portion of ground floor occu- pied by Imperial Realty Co.	20' 0" x 14' 8"	293' 4"
		<hr/>
		36,987' 3"

Say, 37,000 sup. feet.  
37,000 sup. feet at 41c., \$15,170.

(Sgd.) D. EWART,  
*Chief Architect.*

PUBLIC WORKS, CANADA,  
CHIEF ARCHITECT'S OFFICE,  
OTTAWA, February 22, 1908.

(Memorandum.)

JAS. B. HUNTER, Esq.,  
Acting Deputy Minister,  
Dept. Public Works.

*Re Rent Canadian Building.*

I inclose a memo. received from Mr. Woods *re* measurement to be taken into consideration for rent. I have had measurements taken at this building in company with a representative from Mr. Woods, and the total superficial area measured inside the walls, including floor space of doors opening into west half, and also into annex, amounts to 37,090 sup. feet.

Mr. Woods contends that the division wall of building, marked A, and the division wall between main building and annex, marked B, should be included and measured as floor space; and also the coal area under sidewalk.

I inclose a plan showing a typical floor plan. My contention is that the measurement should be CXD for main building, EXF for annex, and Mr. Woods claims CXG for main building, and HXJ for annex.

I inclose Mr. Woods' offer to rent, dated April 24, 1907:—

Mr. Woods claims.. . . . .	39,160 sup. ft.
My measurement.. . . . .	37,090 "

2.070 " at 41c.  
Equals \$848.70.

(Sgd.) D. EWART,  
*Chief Architect.*

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PUBLIC WORKS, CANADA,  
CHIEF ARCHITECT'S OFFICE,  
OTTAWA, February 21, 1908.

*Memo. for Lease, Canadian Building, Feb., 1908.*

Basement, ground or first floor, second, third, fourth and fifth floors, east half, superficial feet, 37,090 at 41c., \$15,206.90.

Department to pay one-half the cost of alterations at the following prices:—

Partitions on second, third, fourth and fifth floors, terra cotta, plaster and glass over, at the rate of \$10 per lineal foot.

Doors complete, \$30 each; glass panels over doors \$5 each.

Cutting openings between buildings, \$12.50 each.

Glass panels between beams on corridor partition, \$13 each.

Tinting and patching old walls and ceilings, 8 cents per sup. yard.

Picture moulding, 5 cents per lineal foot.

Partitions on ground (or first) floor, front portion present screen to be continued to ceiling, \$25 per lineal foot, including doors; rear portion, \$12.50 per lineal foot; \$500 to be allowed for counter; basins, complete, \$50 each; water closets, complete, \$50 each; divisions and fronts of w.c.'s, including doors, \$3.20 per lineal foot.

Department to pay the whole cost of the electric wiring and fixtures at the following rates:—

Two-light fixtures at \$11 each; drop lights from ceiling at \$1.50 each; wiring from feed wire to each outlet, also branch to switch outlet with switch complete, \$1.50 each.

(Sgd.) D. EWART,  
*Chief Architect.*

J. W. WOODS, Esq.,  
President, Imperial Realty Co.,  
Ottawa, Ont.

*Re Canadian Building.*

Replying to your inquiry by telephone *re* shades required for electric fixtures, the shade is shown in the Canadian General Electric Company's catalogue, section 5, pages 345 and 346, pressed glass shade, the rate to be 35c. each, as formerly. Pendant switches may be substituted for the snap switch when required, this change to involve no extra cost. The price to be allowed for skirting, bur-lap and chair rail will be 60 cents per lineal foot, this price to be for the work complete, painted, &c.

(Sgd.) D. EWART,  
*Chief Architect.*

Q. Now, where is the government contract, Mr. Ewart, for heating and lighting the building?—A. I don't know of any contract.

Q. Is there any correspondence in connection with it?—A. Yes, I think so.

Q. Is it a yearly arrangement, or a definite arrangement, or what would you say it is? Tell us what the contract is?—A. The heating is at four-tenths of a cent per cubic foot.

Q. On the total contents of the building?—A. On the total contents of the building.

Q. For how long, any definite time?—A. No definite time, as far as I know.

Q. And what about the lighting?—A. The lighting is at the lighting rates less 10 per cent.



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Q. At the city rates?—A. At the city rates.

Q. The ordinary city meter rates?—A. Yes.

Q. For how long?—A. For no definite time.

Q. So that the department is in the position where they can cancel these contracts at any time?—A. Well, I believe they could.

Q. In view of the evidence that has been adduced before the committee I presume you, as chief architect of the department, would recommend the cancelling of them?—A. Well, I would.

Q. Yes, that is very plain. Now, I want the orders in council *re* the Canadian building and the letters that I asked for produced. (Orders in council produced and filed as follows):—

*Extract from a report of the Committee of the Honourable the Privy Council, approved by the Governor General on 22nd February, 1904.*

On a report dated 16th February, 1904, from the Minister of Public Works stating that it is necessary that quarters be procured at once for the accommodation of the members and staff of the Railway Commission instituted by parliament at its last session, and that the chairman of such commission has stated that he has visited the Woods building on Queen street, in Ottawa, and having found it well suited for the purpose of the commission has recommended the same and has requested that arrangements be made as speedily as possible so that the board may have no unnecessary delay in taking possession.

The minister further states that in order to arrive at an understanding with the owner concerning the rental to be paid, the chief architect of the Department of Public Works has been instructed to examine the building and report as to the work required to be done to accommodate the Railway Commission and as to the size of the building and the proper rental to be paid therefor.

That this officer reports that the estimated cost to put up fire-proof partitions, doors, skirting, plumbing, &c., is placed by him at \$6,500.

That the total floor area of the entire building is 14,778 superficial feet, and that upon the owner, Mr. Woods, agreeing to expend the necessary sum for the fitting up of the building in accordance with the estimate above referred to, he recommends a yearly rental of 5,300 as a reasonable one.

The minister recommends, in view of the above request of the Railway Commission and of the report of the Chief Architect of the Department of Public Works, that authority be given to rent the premises owned by Mr. J. W. Woods on Queen street in Ottawa city, for the yearly rental of \$5,300, the rent to be for a term of five years, renewable for an additional term of five years at the same rental, at the option of the Department of Public Works, it being, however, understood that should the said department decide to not continue the rental after the first period of five years, then it shall pay to Mr. Woods one-half of the amount expended by him in preparing the building for the occupation of the commission, and should the department decide to continue such rental for a further term of five years, then the owner to bear the total cost of the improvements made, and the department not to be bound to reimburse any part or portion of the same.

The minister recommends that authority be given accordingly.

The committee submit same for approval.

(Sgd.) JOHN J. MCGEE,  
*Clerk of the Privy Council.*

The Honourable the Minister of Public Works.

## APPENDIX No. 2

*Extract from a Report of the Committee of the Honourable the Privy Council, approved by the Governor General on the 1st March, 1904.*

On a memorandum dated 23rd February, 1904, from the Minister of Public Works, recommending that the lease entered into with Mr. J. W. Woods for the occupation by the Department of Militia of his property on Slater street, in the city of Ottawa (a copy of which is hereto annexed) be approved.

The committee submit the same for approval.

(Sgd.) JOHN J. MCGEE,  
Clerk of the Privy Council.

The Honourable  
The Minister of Public Works.

*Extract from a Report of the Committee of the Honourable the Privy Council, approved by the Governor General on the 10th August, 1905.*

On a memorandum, dated 20th July, 1905, from the Minister of Public Works, submitting the annexed draft leases proposed to be entered into with Mr. J. W. Woods, for the renting from him of the top story of the part of the building on Slater street, in the city of Ottawa, now occupied by the Department of Militia and Defence, as well as for the renting from him of the other half of the building to accommodate the Departments of the Interior and Agriculture, &c.

The minister states that the said draft leases are based upon that which was entered into last year for that part of the building which is now occupied by the Department of Militia and Defence, the conditions being the same, the time of occupation being made to coincide with the conditions of the lease at present running, the price of the rental being also the same, namely, 36 cents per square foot, and the arrangement for the interior fittings being that each party, Mr. J. W. Woods and the Department of Public Works will pay half the cost thereof upon proper vouchers, duly approved by the chief architect of the Department of Public Works, being supplied.

The minister recommends that he be granted authority to enter into the leases in question.

The committee advise that the requisite authority be granted.

(Sgd.) JOHN J. MCGEE,  
Clerk of the Privy Council.

The Honourable,  
The Minister of Public Works.

*Extract from a Report of the Committee of the Privy Council, approved by the Governor General on the 4th September, 1906.*

On a memorandum dated 13th July, 1906, from the Minister of Public Works, submitting the draft of a lease proposed to be entered into with Mr. James W. Woods, of the city of Ottawa, for the rental of a certain building situated on the south side of Slater street in the city of Ottawa, known as the Canadian building, of which the basement and six stories in the western half and the two upper flats of the eastern half are to be occupied, the rental to be paid being based upon a price per superficial foot of 41 cents.

The minister states that the lease in question is to be for a period of five years from the 1st day of January, 1906, the building being at present occupied by branches of the Interior, Agriculture, Railways and Canals and Marine and Fisheries Departments.

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The minister recommends that authority be given to enter into the leases in question.

The committee submit the same for approval.

(Sgd.) JOHN J. McGEE,  
Clerk of the Privy Council.

The Honourable  
The Minister of Public Works.

No. 315518.

P. C. 445.

*Certified Copy of a Report of the Committee of the Privy Council, approved by  
His Excellency the Governor General on the 9th March, 1908.*

On a memorandum dated 27th February, 1908, from the Minister of Public Works, submitting that the Department of Public Works has, for some time, had under consideration applications from the Auditor General and from the Department of the Interior for additional office accommodation, which it was represented was absolutely necessary for the efficient carrying on of the business of the above mentioned branches of the service, but, up to the present time, has been unable to afford any relief;

That there are already leased in a building known as the Canadian building which is owned by the Imperial Realty Company, Limited, and situate on the south side of Slater street in the city of Ottawa, the whole of the western half and the two upper flats of the eastern half of the said building by which branches of the Departments of the Interior, Agriculture, Railways and Canals and Marine and Fisheries are already accommodated;

That the removal to their new factory, in Hull, of the Woods, Limited, has rendered vacant the remaining portion of the east half of the above mentioned building, and negotiations were entered into with the Imperial Realty Company with the object of leasing same to provide for necessary increased office accommodation.

The minister states that the company have agreed to lease the eastern half of the basement, ground or first floor, second, third, fourth and fifth storeys at the same price and under the same conditions as stipulated in the existing lease for the western portion, the amount of rental and other covenants being considered fair and reasonable.

The minister recommends that authority be given to lease from the Imperial Realty Company, Limited, of Ottawa, Ont., the eastern half of the basement, ground or first floor, second, third, fourth and fifth storeys of the Canadian building, on the south side of Slater street, in the city of Ottawa, to accommodate a portion of the staffs of the Auditor General and of the Interior Department, the said lease to be subject to the undermentioned stipulations:—

1. The space to be rented to comprise an area of 37,090 square feet and the price to be paid therefore to be at the rate of 41 cents per square foot per year, or \$15,206.90.

2. The lease to start from the 1st of December, 1907, and to be continuous with and subject to the same conditions as that already in existence for the first half of the building, which expires 1st January, 1911.

3. That at the expiration of the said lease, it shall be optional with the Department of Public Works to renew the same for a further term of five years, under the same conditions as those agreed upon in the first instance.

4. The department to pay, upon presentation of vouchers duly certified by



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the chief architect, one-half of the cost of the alterations made necessary by the special service to which these offices will be put.

The committee submit the same for approval.

(Sgd.) RODOLPHE BOUDREAU,  
*Clerk of the Privy Council.*

The Minister of Public Works.

Q. Have you the plans here?—A. Yes (plans produced).

Q. Now, let me see. This is the Woods building, is it?—A. Yes.

Q. What floor is this?—A. That is the—

Q. Basement plan?—A. Yes, basement plan.

Q. What is the inside measurement of it?—A. Well, there is a difference you know; they are larger as you get up.

Q. But give me the measurements here?—A. That is the outside.

Q. You can't tell from this what the inside would be?—A. Not so well there, but that is the average of all the floors (pointing to plan).

Q. On what scale is this; I just want the one floor; I will take this floor?—A. Well, that is the smallest floor.

Q. What? The basement?—A. Yes, by a long way, it is much smaller than the average.

Q. Let us see what this is, what scale is it? What will this be?—A. We never depend upon the blue prints for measurement.

Q. But you have the figures here?—A. Yes, you understand what I mean, these blue prints will shrink, and in order to get the measurements we have to put the measurement on.

Q. What is the measurement outside, from wall to wall?—A. 69 feet 9 inches.

Q. And what is the length of it?—A. 157 feet 6 inches.

Q. Now, what is the thickness of this wall?—A. I will see (consults plan); that wall is three feet.

Q. On what scale is this plan drawn?—A. One-eighth.

Q. And you would say it was three feet thick?—A. Yes.

Q. And how wide is it on this side (indicating on plan)?—A. It is all the same.

Q. So that would be 6 feet off that?—A. Off that, yes.

Q. That would be 63 feet 9 inches; what have you on there?—A. I have only one-half the building.

Q. But it will be 63 feet 9 inches, taking in the whole thing?—A. Yes.

Q. How wide is this wall (indicating on plan), how wide is the centre wall?—A. I would say that is 18 inches.

Q. And the amount will be reduced that much?—A. Yes.

Q. Now, the front wall is the same, what would that make the length, taking the wall?—A. It is the same.

Q. It would be 151 feet 6 inches long, inside measurement?—A. Well, that is the basement.

Q. Now, take the basement of the Canadian building, how wide are those walls, the same width?—A. That—70 feet 6 inches.

Q. Outside measurement?—A. Yes, that is 3 feet (indicating on plan).

Q. That will be 6 feet to come off that, that will make it 64 feet 6 inches inside measurement?—A. Yes.

Q. Less—what is the centre wall?—A. That is one foot.

Q. Less one foot for the centre wall. What about the length, is it the same?—A. The same, 188 feet.

Q. 188 feet 6 inches outside, measurement, and 6 feet off, that would be 182 feet 6 inches, inside measurement?—A. Yes.

Mr. CARVELL.—What is that (pointing to plan)

Mr. SHARPE.—That is a little annex, we won't bother about that.

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Mr. CARVELL.—Why not be fair about it and go on and take the upper stories.

*By Mr. Sharpe:*

Q. Take one, whichever you like?—A. I take the top one; you see that is 188 feet.

Q. The top story of the Canadian building is 188 feet, outside measurement?—

A. Yes, that is three bricks thick, scarcely two feet thick.

Q. What about this other side, the front side?—A. That is just the same

Q. Then that is four feet off?—A. Well, then—

Q. For inside measurement?—A. And the width 70 feet.

Q. The width is 70 feet?—A. Yes, and it will be the same off there—1 foot 8 inches it is marked there. (After consulting plan.)

Q. One foot 8 inches?—A. One foot 8 inches, yes.

*By Mr. Carvell:*

Q. I was just wondering how you got 2 feet with 3 bricks?—A. It is 1 foot 8 inches to come off, that is what it is, not 2 feet. ..

*By Mr. Sharpe:*

Q. Give us now the net inside measurement?

*By Mr. Carvell:*

Q. Change that now; you took off 4 feet and you should only have taken off 3 feet 4 inches?—A. In the basement or here?

Q. Well, 1 foot 8 inches, that would be 3 feet 4 inches you take off?—A. Yes

Q. That would leave 184 feet 8 inches?—A. Yes.

Q. 184 feet 8 inches in length?—A. Yes.

*By Mr. Sharpe:*

Q. I want the net length?—A. The net length there is 184 feet 8 inches.

Q. And the net width?—A. 66 feet 8 inches.

Q. Less the centre wall?—A. Less the centre wall. The centre wall here is 6 inches.

Q. And what are the dimensions?—A. The width would be 66 feet 2 inches and the length 184 feet 2 inches.

Q. What is the flat rate that the government is paying for the other building?—

A. What for?

Q. Lighting?—It is three dollars and something for 3,000 lights.

Q. Just before we leave the plans, have you got the elevation plan?—A. No, I have not.

Q. What is the outside height?—A. 90 feet.

Q. Outside?—A. Yes, that is the Militia building.

Q. What is the inside?—A. I have not got the inside.

Q. What is the outside height of the other building?—A. Of the Canadian building it is 102 feet.

Q. Is it from these figures that your calculation as to the cubic contents were taken?—A. Yes, that is what I have it here.

Q. Outside measurement?—A. No.

Q. Well, you said that was the outside measurement?—A. What I mean to say is there are no walls on the top floor.

Q. There would be the roof?—A. That is the way we cube it, right up to the roof.

Q. The outside measurement?—A. The outside measurement.

Q. And did you make any allowance for the floors?—A. Not when you cube a building.

Q. How many floors are there?—A. There are six in the Militia building and the basement.

## APPENDIX No. 2

Q. There is the roof above and the floors underneath them. Now, to get the net cubic measurement you would have to include those inside the building?—A. Of course, when we were measuring for that we took to the floor.

Q. There are several flats counting the roof?—A. No, you cannot call that one.

Q. Six floors, we will say?—A. The roof will be only a foot thick.

Q. When you are measuring the cubic contents we are entitled to that as well as Mr. Woods. But I understand you to say that you didn't take the basement?—A. No, we took from the basement floor.

Q. Well, the cellar door?—A. Certainly, the cellar floor.

Q. Tell us how many floors there are in the Canadian building?—A. Seven.

Q. Seven and the roof?—A. And the basement.

Q. How thick would those floors be?—A. Generally about six inches for a basement floor.

Q. And the roof a foot?—A. About a foot.

Q. Are you sure about the thickness of these floors? What would be the size of the joists?—A. There are no joists. They are all expanded metal in concrete.

Q. And would they not be over six inches?—A. No, not as a rule.

Q. I understand as a rule they are 18 or 20 inches?—A. No, they are beams. You understand what I mean? They are all resting on beams. They would have to be an extraordinary size to carry the weight you talk about.

Q. Are you just making a guess?—A. No, I am perfectly certain in reference to the thickness of the floors.

Mr. SHARPE.—I wish the letters and other documents which have been produced to go into the record.

Mr. CARVEILL.—I want everything to be put in that Mr. Ewart produces.

Q. Now, 36, the letter to A. Gobeil, the Deputy Minister, from the Imperial Realty Company, November 7, 1906, this was acknowledged and referred to Mr. Ewart as to the present requirements, and your endorsement on the back of that was: 'There are no further requirements at present, as far as I know'?—A. I suppose that is what I thought at the time.

(Letter produced and filed as follows):—

No. 296764.

IMPERIAL REALTY CO., LIMITED,

A. GOBEIL, Esq.,

OTTAWA, November 7, 1906.

Deputy Minister Public Works,

Ottawa.

DEAR SIR.—We have completed arrangements with Woods, Limited, to have them vacate the portion of the Canadian building which your government does not at present occupy, and which consists of six flats of 34 ft. x 215 ft. in depth each. We are prepared to offer you this portion of the building, save and except the offices and sample rooms now occupied by Woods, Limited, and the Imperial Realty Company, and which occupies about one-half of the first floor. We are prepared to let you have this for 41c. per square foot of floor space within the walls, you to do any work such as partitions, basins, &c. I might state that there are elevators on each floor at present so that you are not likely to require any more than the present installation. The other conditions such as taxes, duration of lease, are to be identical with those contained in our last lease to you. I might state that we have already installed, at our own expense, passenger elevator in addition to the freight elevator, which also is installed in this half of the building. These two elevators should each pay half of such expense, would more than make up for the half which we installed in our last agreement.

We would be prepared to give you possession of this property early in June, 1907; should you require it earlier, we would endeavour to meet your desires.



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The reason that we continue to extend this low rate of rental to you is in order to be consistent and uniform on the whole building, as you are aware this is much cheaper than obtains in other buildings much inferior to this fire-proof one which we offer you.

We shall be very pleased to hear from you at the earliest moment.

We remain, yours very truly,

IMPERIAL REALTY CO., LTD.,

(Sgd.) EARNEST LINTON,

*Secretary-Treasurer.*

Q. That is what you ascertained; you would make inquiries and find out?—A. Yes.

Q. Without putting in the notice of the assignment, I think the date of the assignment notice should be given; it is dated the 23rd of October, 1906; that is the date of the notice of the assignment from Mr. Woods to the Imperial Realty Company. Now, there is No. 45, the letter of September 20, 1907.

(Letter produced and filed as follows):—

IMPERIAL REALTY COMPANY, LIMITED.

CANADIAN BUILDING,

OTTAWA, September 20, 1907.

A. GOBEL, Esq.,

Deputy Minister Public Works Dept.,

Ottawa.

DEAR SIR,—In further reference to our offer of 24th April last relating to the leasing of that portion of the Canadian building now occupied by Woods, Limited, we beg to inform you that we expect to begin moving to Hull on the 1st of October. We would, therefore, appreciate your letting us know definitely your position with regard to this building, and should you so decide we shall be glad to receive plans and specifications for the dividing of the different flats into offices. As you are aware, the Department of the Interior have been considering the advisability of taking the whole building for their whole department as they already occupy almost half of the portion already leased to your government, and in order to show them how much floor space is available we furnished them some months ago with floor plans of the building. We also beg to confirm our offer to extend the Canadian building to Laurier avenue when the growth of the Interior Department demands this additional space. The rate of rental is to be similar to that obtained elsewhere by other landlords, having regard to the superior construction of our building, which is recognized to be fireproof, and thus enjoys the lowest rate of insurance of any building in Canada.

We shall be very pleased to receive your commands at the earliest possible moment as the work can be accomplished much better and more expeditiously before the cold weather sets in.

As before stated, the additional passenger elevator is already installed, the elevators are ready so that the partitions is the only work needed to prepare it for your occupancy.

We shall be prepared to give you three floors in three weeks after you submit floor plans to us for the different offices, which work can be begun at the 1st of October as our Hull factory is now ready to take care of that portion of our staff.

I have the honour to be,

Yours very truly,

IMPERIAL REALTY CO., LTD.,

(Sgd.) JAMES W. WOODS,

*President.*

## APPENDIX No. 2

*By Mr. Carvell:*

Q. Mr. Ewart, have you ever made a valuation of this building?—A. That is the Woods building?

Q. Yes?—A. Which building, the Woods building?

Q. The Woods building?—A. Yes, I valued the Militia building at \$196,380.

Q. And when?—A. Well, I valued a part of it you know away back in 1903, that was when I reported, when I first went over the building, and I valued it at 20 cents per cubic foot, and when you take the whole building, you know, 981,900 cubic feet, which, at 20 cents, makes \$196,380.

Q. And that is your valuation down to the present time?—A. Well, I would say that is what the building would cost ready to be occupied.

Q. Would that include the improvements put on it by the government?—A. It would include the partitions and work of that kind.

Q. And what about the Canadian building?—A. I valued that at \$287,631.

Q. When was that valuation made?—A. That one was made lately. I valued it at the same rate per foot; I consider that style of building is just about the same.

*By Mr. Sharpe:*

Q. When you say you made it lately, what do you mean?—A. Oh, say within a month.

*By Mr. Carvell:*

Q. What rule did you follow in making that?—A. Well, I took out the cubic contents and I rated it at 20 cents a foot.

Q. In your opinion is 20 cents a reasonable valuation?—A. For that class of building I consider it is.

Q. Does that include the land?—A. No, no, I am only talking about the building.

Q. That is exclusive of the land?—A. Exclusive of the land.

Q. Now, have you the plan there showing the time of the occupation of these different buildings?—A. This (producing plan) is the plan of the Militia building.

Q. The plan of the Militia building?—A. Yes.

Q. How many floors does it show?

Mr. SHARPE.—That is the Woods building?

Mr. CARVELL.—That is the Woods building, yes.

A. Six.

*By Mr. Carvell:*

Q. Six floors, and it is divided off into different apartments?—A. Yes.

Q. Does it show by whom they are occupied?—A. Yes.

Q. And does it show the commencement of occupation?—A. Yes, it does.

Q. And it consists of how many sheets?—A. Seven.

Q. From what are these blue prints taken?—A. These are taken from the plans of the buildings. The way we arrived at the partitions was this, we had a plan in skeleton of the building giving the outline of what we thought would be suitable and sent it to the different departments; they went over it and sometimes they made changes and sometimes they did not, but these are the plans of the building as it exists at the present time, as it is occupied.

Q. Now, have you blue prints of the plans of the Canadian building?—A. Yes.

Q. And how many sheets do they consist of?—A. Seven.

Q. Seven floors?—A. Yes.

Q. Do they show by whom and how they are occupied?—A. Yes, each one.

Q. And do they show the dates of the occupation?—A. Yes, they show the dates of the occupation.

Q. And from what are they made or prepared?—A. Just the same as these others. They were prepared and were submitted to the different departments; an outline of

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the building, with rough ideas of how it was thought advisable to divide it up, and the department changed it round to suit themselves, and then we prepared this plan.

Q. And these are the blue prints made from that plan?—A. These are the blue prints showing the building as it is now divided.

Mr. CARVELL.—I will put these blue prints in evidence, although I do not know just how the stenographer will put them in.

Mr. SHARPE.—I suppose you had better have a tabulated statement made out giving the dates.

Mr. CARVELL.—No, I want these diagrams put in, so that full information will be afforded.

*By Mr. Carvell:*

Q. From what sources did you get this information?—A. About the plans?

Q. Yes?—A. We got it from the heads of the various departments, the letters which we received have been handed over to Mr. Sharpe.

Q. And are now in evidence?—A. Well, that is what I understand.

Q. What are you paying in the way of rental for these different buildings, or rather on what basis are you paying rental for these different buildings?—A. Well, in a number of cases we are paying a rental—

Q. But in this building?—A. Well, in this building we are paying by the superficial foot.

Q. What is the rate per superficial foot?—A. It is 41 cents in the Canadian building.

Q. Is it 36 or 38 cents for the Militia building?—A. I think it is 38 cents.

Q. I would like you to be sure, because there seems to be a discrepancy in some way: I am told it is 36 cents, yet some of the papers seem to indicate 38 cents?—A. (After referring to documents) We are paying 38.

Q. All right; 38 cents per cubic foot?—A. Per superficial foot.

Q. I mean per superficial foot?—A. Yes, that is right.

Q. Do you rent any other buildings in the city by the superficial foot?—A. I wouldn't like exactly to say, but what we do before we fix the rental, is we always calculate at the superficial foot.

Q. That is your custom?—A. That is the custom.

Q. Figuring that out that way are you getting any buildings in the city at less rental than 38 cents per superficial foot?—A. Yes, we are.

Q. You are?—A. Yes, we are.

Q. What buildings are they?—A. Well, there is a building on Sparks street that is rented for the Department of Inland Revenue down near the Wellington market; I couldn't say exactly what it is.

Q. But it is something less than that?—A. Oh, yes, it is less than that.

Q. Now, are you paying more than that for any building?—A. Oh, yes, we are paying more for the Trafalgar building.

Q. Yes, how much?—A. Well, from memory, I think it is 61 cents, but of course I haven't referred to it lately.

Q. Anyway, it is considerably more than 38 cents?—A. Yes.

Q. Where is the Trafalgar building?—A. The Trafalgar building is on the corner of Bank and Queen streets, I think.

Q. It is not on Sparks street?—A. No, I think I am right; it is on the corner of Bank and Queen.

Q. It would be about the same length as the distance from the parliament buildings to the Woods building?—A. It would not be a great deal out.

Q. And you were paying for about 61 cents per superficial foot then?—A. Yes.

Q. Are there any other buildings in which you are paying more than 38 cents?—A. Yes, we are paying for the Regal building.



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Q. Where is that?—A. That is the old Young Men's Christian Association building.

Q. What street is that on?—A. That is on O'Connor street, O'Connor and Queen.

Q. What are you paying for that?—A. I think it is 80, I am pretty sure it is 80.

Q. Are you paying for hallways and elevator wells in that building?—A. No, I don't think we are.

Q. Then you say you are paying 61 cents and 80 cents for the actual room occupied?—A. Yes, that is what I understand.

Q. If you add the hallways and elevator walls in would it bring the price down to 38 cents?—A. No.

Q. It would not?—A. No.

Q. In the Woods building and the Canadian building are you paying for the total area including hallways and elevator wells?—A. Yes.

Q. Are any of the halls occupied by the department in either or both of the Woods buildings?—A. Well, the public go there and do business in the halls.

Q. Are not some of the departments actually occupying the halls?—A. Yes, some of them are occupying the halls and in some places there are no halls at all.

Q. How are they occupying them?—A. I think, if I remember right, the Auditor General has not a hall in his place. There is just the one for the two halves of the building.

Q. Are there not file cases piled up all over the hall?—A. Yes.

Mr. SHARPE.—They don't occupy the whole of the hall.

Mr. CARVELL.—Of course there is a passage way for them to get through.

*By Mr. Carvell:*

Q. Is that general all over the building?—A. I would not like to say; I have not been there for some time.

Q. Have you tried to rent any buildings in the city lately for public offices by the superficial foot?—A. Well, we prefer to put it into a bulk sum lately.

Q. Have you attempted to rent any building lately by the other method?—A. Well, we were trying to rent a building on Sparks street.

Q. Which one was that?—A. The Canadian Life building.

Q. And what did you offer or what were you asked per foot?—A. \$1.25.

Q. A superficial foot?—A. superficial foot.

Q. Actual measurement?—A. Actual measurement.

Q. Did you accept?—A. No.

Q. Why not?—A. Well, I understand it was considered too high.

Q. Were there any other instances in which you have attempted to get space lately?—A. We are dealing at the present time with the Grand Trunk.

Q. For what?—A. For offices down in their new building.

Q. What are they asking you?—A. \$1.25.

Q. And you have accepted?—A. No, we are trying to get it for less.

Q. Are you heating any buildings in the city that are being rented except the Woods building?—A. No, I think not.

Q. Are you heating any buildings in the city?—A. Well, of course we heat the government buildings up here.

Q. What buildings are you heating?—A. All the buildings—parliament buildings, the two departmental buildings and the Langevin block.

Q. Can you tell me what it has cost you per cubic foot to heat the Langevin block?—A. The Langevin block takes 780 tons of coal, and we pay \$7 a ton, \$5,460; that is for the ordinary coal, and 11 tons of soft coal (cannel), \$8.50 a ton, \$93.50; and 30 cords of wood at \$3.25, \$97.50. That brings the cost of heating to a total of \$5,651. Then for the time: One foreman engineer, twelve months at \$100 a month, \$1,200; four firemen, twelve months at \$55 a month, \$2,640; three firemen, six months, \$990; total, \$4,830; grand total, \$10,481.

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*By Mr. Carvell:*

Q. What are the cubic contents of the building?—A. 1,846,604 cubic feet.

Q. That costs 56-100ths of a cent per cubic foot and the Woods building is costing 40-100ths?—A. 40-100ths.

Q. Well, are you in that calculation allowing anything for depreciation of plant?—A. No, just actually what we pay.

Q. Are you allowing anything for repairs to plant?—A. Well, these men, such as the foreman engineer, are employed on repairs.

Q. Are there any repairs that are being paid for outside of that?—A. That would not take in such repairs as plumbing or anything of that sort. You just mean heating?

Q. Just the heating?—A. Well, I would say that would include the repairs.

Q. Well, including the repairs, but allowing nothing for depreciation of plant, it is costing 56-100ths of a cent per cubic foot to heat the Langevin block?—A. Yes.

Q. As against 40-100ths that we are paying for the heating of the Woods building?—A. Yes.

Q. Have you figured up any of the other buildings in the city?—A. No.

Q. How are all the other buildings in the city lighted so far as the department is concerned?—A. Well, they are all lighted under contract at 2 per lamp per annum over the 3,000.

Q. That is, you pay what for the first 3,000?—A. I am not very sure whether it is \$2.50 or \$2.25.

Q. That is, 3,000 lamps at the rate of \$2.25 or \$2.50?—A. Yes.

Q. And after that?—A. I am not sure whether it is \$2.50 or \$2.25; at any rate, it is one or the other for the first 3,000, and after that \$2 per lamp.

Q. Do you take each building as a unit for that calculation, or do you take the total lighting of all the departments put together and take out 3,000 lamps at the higher price and the balance at a lower price?—A. Well, you see there are quite a number of lamps other than 16 candle-power, and 16 candle-power is the standard.

Q. Yes?—A. Well, everything is reduced to 16 candle-power; suppose there were 15,000, the total number of lamps, but the first 3,000—

Q. You do not appreciate my question. Do you take the parliament buildings and the departmental buildings and the Trafalgar building, and add them together?—A. Yes.

Q. And then you take out 3,000 at the higher price, that is what I want to get at?—A. Yes.

Q. And then you pay \$2 for the others after that?—A. Yes, \$2 after that.

Q. And you reduce everything to a 16 candle-power basis?—A. Everything.

Q. Do you reduce everything, including the Tungsten lights, to that basis?—A. I don't know—in reference to the calculation you understand what I mean by that, that is the quantities, the difference between the one and the other.

Q. Then you take the Tungsten lights into consideration, if you do not I would advise you to do so?—A. We haven't very many Tungsten lamps.

Q. You should reduce them to 16 candle power, as well as the others, and I think we will make some money if you do?—A. Well, we have them in some places, but not in very many yet.

Q. However, that is the method by which you pay for the lighting of the public buildings all over the city excepting in the Woods building?—A. Yes.

*By Mr. Sharpe:*

Q. Is there any limitation to the number of lamps the government may use?—A. No.

Q. And so that if they added the Woods and the Canadian buildings they would get the lighting done there at the flat rate of \$2 per lamp?—A. I think so.

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Q. Now, 2,000 lamps at that rate would be \$4,000, and you would get the lighting done for that sum instead of \$9,465.91, that would be a government saving of over \$5,000?—A. Yes.

Q. Have you had any experience with smoke consumers and automatic stokers?—A. No, not practically; I know some little thing about it.

Q. What is their life, how long would they last—20 years?—A. It is like a great many other things, it depends a great deal on how it is handled.

Q. Well, suppose it is handled averagely well?—A. I wouldn't think so.

Q. Would they last 10 or 15 years?—A. No, I wouldn't think they would last as long as that.

Q. How long, in your opinion, should they last, or have you any experience with them?—A. We have had them for about four or five years.

Q. And has the government any on their buildings?—A. They have them in the Printing Bureau.

Q. How much did they cost?—A. I think, fitted up complete, I am speaking from memory now, something about \$2,000; you have blowers with them and a good deal of machinery.

Q. Is the automatic stoker with them?—A. Yes.

Q. That is a labour saving apparatus?—A. Yes.

Q. How much labour does it save, one or two men?—A. Oh, no, no.

Q. Not that much?—A. Not that much—there is one thing about them you have—

*By Mr. Carvell:*

Q. Isn't the object to save the fuel as well as save labour?—A. Yes, there is one thing about that, number of people are taking them out now because they are very hard on the boiler, and the life of the boiler is very short with them.

*By Mr. Sharpe:*

Q. Taking the heating of the Langevin block, that is only another evidence of the present extravagance of government management, because if you compare the number of firemen employed in the Langevin block it is two or three times as many men as there are employed in the Woods and Canadian buildings combined.

Mr. CARVELL.—That is under the policy of government ownership, you know.

A. There is one thing about that, you know it was settled a long time ago that all firemen employed in the departments here should work only 8 hours a day, that makes three shifts of men through the day. Mr. Woods may make his men work 12 hours.

Q. There is one foreman and two men down there, isn't that the evidence?—A. I think there are three men.

Q. One foreman and two men to look after the heating apparatus in connection with the Woods and the Canadian buildings combined, and the cubic contents of both those buildings is 2,213,733 cubic feet, that is adding together the figures you have supplied me with here?—A. Where is that?

Q. Down at the bottom there (handing document to witness)?—A. Yes, I see them; that is right.

Q. 2,213,733 cubic feet in the Woods and Canadian buildings, and they have there a foreman at \$900 a year, and this foreman at the Langevin block is paid \$1,200 a year; they pay their men \$45 and \$50 a month, and the government pays its men \$55 a month?—A. Yes.

Q. They have three men to do all that heating, and you have eight men to do only 1,846,604 cubic feet, so that the Woods company are employing less men and doing far more work than the government, isn't that right?—A. Well, according to that statement.

Q. They also buy their coal a good deal cheaper?—A. Well, they do.



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Q. Does the government buy in bulk?—A. They call for tenders; it is all called for by tender.

Q. Does the government call for tenders?—A. All by tender.

*By Mr. Carvell:*

Q. One is burning soft coal and the other is burning hard coal?—A. Well, the soft coal is only for grates, that is all.

*By Mr. Sharpe:*

Q. So that there is really no comparison, taking the Langevin block and the Woods block: the comparison is wholly unfavourable to the government on those figures?—A. Well, in reference to the Woods building there are very often complaints about their not being properly heated.

Q. Did you ever hear any complaint that this building is too much heated?—A. Yes, I have heard that.

*By Mr. Blain:*

Q. Who is responsible for engaging the men?—A. I do not know who they are, to doubt—

*By Mr. Sharpe:*

Q. Who is responsible?—A. I couldn't say that.

Q. Who has charge of the heating and lighting of the buildings in the Public Works Department?—A. We have a foreman who is there.

*By Mr. Blain:*

Q. Don't you know who engages the men?—A. Well, no, I couldn't tell that.

Q. Is it the government? You say you do not know which department engages the men?—A. Oh, it is the Public Works Department, oh, I know that.

*By Mr. Sharpe:*

Q. On whose behalf did you make inquiries lately as to the renting of these places, who instructed you?—A. Well, there are several departments inquiring for space.

Q. Now, take a specific instance, who asked you to make inquiries lately?—A. Well, I did not make any inquiries, the matter was referred to me by the deputy.

Q. That is Mr. Hunter?—A. Mr. Hunter, lately.

Q. Lately. What did you do?—A. We have discussed the matter together, and I do not know that we have gone any farther than that, that is, as far as I know.

Q. But you told us you went down there?—A. I don't think I said I went down, I don't think I said that.

Q. You said you got figures for the Canadian Life building?—A. I do not know that I got the figures.

Q. Who did, then?—A. They sent in offering to rent the building.

Q. Oh, I see, the government were not seeking to rent them, and they were offering to rent them to the government?—A. Yes, but they knew the government was wanting room.

Q. Does the government want room now?—A. They do want a great deal more room at the present time.

Q. Haven't you any more space available at the Canadian or the Woods building?—A. No, we have not.

Q. Well, in the case of the buildings that you have rented in various parts of the city, such as the Trafalgar and Regal buildings, it does not include hallways or elevator space?—A. No.

Q. Nor the stairways?—A. No.

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Q. The department was a little easier when they were negotiating with Woods?  
—A. Well, I don't know.

Q. Now, if the department is paying too much for these buildings, even omitting the halls and elevator spaces, would not be a comparison to what is reasonable?—A. The department always tried to get the buildings at as reasonable a rate as they could get them.

Q. Did they try to get the Woods and Canadian buildings at as reasonable a rate as they could get them?—A. I had not so much to do with them——

Q. You had not very much to do with them?—A. As I have at the present time.

Q. There was no counter-proposition to Mr. Woods in the correspondence offering him so much less?—A. I don't know.

Q. In the correspondence there is none?—A. No.

Q. His proposition was accepted without any negotiations for lower or better terms?—A. Well, I had nothing to do with it.

Q. Who had?—A. Well, I take it it might be likely the deputy minister or the secretary.

Q. Who instructed you to make a calculation as to the valuation of the Canadian building lately?—A. Nobody at all.

Q. Why did you do it?—A. Well, I just thought I would see what would be a fair valuation.

Q. What was the cost per cubic foot?—A. 20 cents.

Q. Was that what you said before?—A. I think you will find that is what I said before.

Q. The assessor says about 13 or 12½ cents. You don't agree with him?—A. We don't build any buildings for that. You can't build a wooden building for that.

Q. You would not say the Canadian and Woods building cost that much?—A. Of course I don't know what it cost. If I was asked the value that is what I would consider a fair value.

Q. You heard the contractor say what the contract price was for the outside walls and the roof?—A. I don't know. I didn't pay much attention to it.

By Mr. Carvell:

Q. With what kind of plant are you heating the Langevin block?—A. Hot water.

Q. All through?—A. All through by hot water.

Q. You have no hot air?—A. No hot air.

Q. I notice there was some hot air in some parts of this building?—A. Not exactly hot air. It is indirect heating, the air goes over the coils.

Q. Do you consider that as good heating as the hot water coils would be?—A. Hot water is always considered better than steam.

Q. Then you feel that you are getting as much out of the coal that you are consuming in the Langevin block as could reasonably be expected?—A. Yes.

Q. You have a modern up to date system?—A. Yes.

Q. Have you any lighting accounts with you? I neglected to ask you that.

(Witness produces copies of accounts.)

Q. What are these documents which you have produced?—A. These are the accounts of Woods from the Municipal Electric Lighting plant.

Q. Under what date?—A. September, 1909.

Q. What are they for?—A. They are for the electric light consumed in the Militia, Canadian and Woods buildings. There are two meters. There are different meters in the same building.

Q. And how are they made out?—A. They are made out at 10 cents I think. Yes, 10 cents per watt hour.

Q. Kilowatt hour?—A. Kilowatt hour with a discount of 10 per cent.

Q. That brings it down to what?—A. About eight cents.

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Q. I think you must be wrong. It is not ten cents but eight cents per kilowatt hour?—A. Yes, it is eight cents.  
Q. With a discount which brings it down to 7:2?—A. Yes, it is eight cents.  
Q. Are the accounts receipted?—A. They are receipted by the city.  
Q. By the City Electric light plant, are they?—A. Yes.  
Q. Is it receipted by writing or by stamps?—A. It is by both writing and stamp.  
Q. And from whom did you receive them?—A. I received them from Mr. Woods as vouchers that he had paid those accounts.  
Q. That is, you received receipted bills from Mr. Woods as vouchers that he had paid these accounts?—A. Yes.  
Q. How do you happen to have those receipts? Did you have anything to do with them?—A. Nothing whatever.  
Q. They were simply furnished you in that form?—A. Furnished us.  
Mr. CARVELL.—I ask to have the accounts put in the evidence.

THE MUNICIPAL ELECTRIC DEPARTMENT.

OTTAWA, September 20, 1909.

Mr. J. W. Woods,  
Slater street, Ottawa.

Acct. Folio 32. Meter No. 20212.

1909—To electric current supplied as follows:—

Sept. 17.—Present meter register. . . . . 86,207 000 watt hours.  
June 15.—Previous meter register. . . . . 80,281 000 watt hours.

Consumption. . . . .	5,926 000 W.H. at 8c=	\$474 08
Discount of 10 per cent if this account is paid on or before Oct. 5, 1909. . . . .		47 41
Net balance. . . . .		\$426 67
Meter rent (\$1.00 per annum). . . . .		20
		<hr/> \$426 87

Arrears on which no discount is allowed. . . . .

Settled by Imperial Realty Co.—Municipal Electric Dept., (Sgd.) G. E. Pen-  
nock, September 23, 1909.

Folio 32.

OTTAWA, September 20, 1909.

Mr. J. W. Woods—

Consumption charged. . . . .	\$474 08
Discount. . . . .	47 41
Net balance. . . . .	<hr/> \$426 67
Meter rent. . . . .	20
	<hr/> \$426 87



## APPENDIX No. 2

## THE MUNICIPAL ELECTRIC DEPARTMENT.

OTTAWA, September 20, 1909.

Mr. J. W. Woods,  
Slater street, Ottawa.

*Acct. Folio 32. Meter No. 7787.*

1909—To electric current supplied as follows:—

Sept. 17.—Present meter register.. . . . 63,130 000 watt hours.

June 15.—Previous meter register.. . . . 59,170 000 watt hours.

Consumption.. . . . 3,960 000 W.H. at 8c=\$316 80

Discount of 10 per cent if this account is paid on or before October

5, 1909.. . . . 31 68

Net balance.. . . . \$285 12

Meter rental (\$1.00 per annum).. . . . 20

\$285 32

Arrears on which no discount is allowed.. . . .

Settled by Imperial Realty Co.—Municipal Electric Dept., (Sgd.) G. E. Pen-  
nock, September 23, 1909.

*Folio 32.*

OTTAWA, September 20, 1909.

Mr. J. W. Woods—

Consumption charged.. . . . \$316 80

Discount.. . . . 31 68

Net balance.. . . . \$285 12

Meter rent.. . . . 0 20

\$285 32

## THE MUNICIPAL ELECTRIC DEPARTMENT.

OTTAWA, September 20, 1909.

Mr. J. W. Woods,  
Slater street, Ottawa.

*Acct. Folio 32. Meter No. 993941.*

1909—To electric current supplied as follows:—

Sept. 17.—Present meter register.. . . . 49,330 000 watt hours.

June 15.—Previous meter register.. . . . 45,947 000 watt hours.

Consumption.. . . . 3,386 000 W.H. at 8c=\$270 88

Discount of 10 per cent if this account is paid on or before October

5, 1909.. . . . 27 09

Net balance.. . . . 243 79

Meter rental (\$1.00 per annum).. . . . 20

Arrears on which no discount is allowed.. . . . \$243 99

Settled by Imperial Realty Co.—Municipal Electric Dept., (Sgd.) G. E. Pen-  
nock, September 23, 1909.

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Folio 32.

OTTAWA, September 20, 1909.

Mr. J. W. Woods—

Consumption charged.. . . . .	\$270 88
Discount.. . . . .	27 09
<hr/>	
Net balance.. . . . .	\$243 79
Meter rent.. . . . .	0 20
<hr/>	
	\$243 99
<hr/>	

THE MUNICIPAL ELECTRIC DEPARTMENT.

OTTAWA, Sept. 20, 1910.

Mr. J. W. Woods,  
Slater St., Ottawa.

Acct. Folio 32, Meter No. 8157.

1909—To electric current supplied as follows:—

Sept. 17—Present meter register.. . . . 48,847 000 watt hours.  
June 15—Previous meter register.. . . . 44,635 000 “

Consumption.. . . . .	4,212 000 W.H. at 8c=\$336 96
Discount of 10 per cent if this account is paid on or before Oct. 5, 1909.. . . . .	33 70
<hr/>	
Net balance.. . . . .	\$303 26
Meter rental (\$1 per annum).. . . . .	0 20
<hr/>	
	\$303 46
<hr/>	

Arrears on which no discount is allowed.. . . . .

Settled by Imperial Realty Co.—Municipal Electric Dept., (Sgd.) G. E. Pennock,  
Sept. 23, 1909.

Folio 32.

OTTAWA, Sept. 20, 1909.

Mr. J. W. Woods,

Consumption charged.. . . . .	\$336 96
Discount.. . . . .	33 70
<hr/>	
Net balance.. . . . .	\$303 26
Meter rent.. . . . .	0 20
<hr/>	
	\$303 46
<hr/>	
Arrears.. . . . .	

## APPENDIX No. 2

## THE MUNICIPAL ELECTRIC DEPARTMENT.

Mr. J. W. Woods,  
Slater St., Ottawa.

OTTAWA, Sept. 20, 1910.

*Acct. Folio 32.*

1909—To electric current supplied as follows:—

Sept. 18—Present meter register. . . . . 42,995 000 watt hours.

June 15—Previous meter register. . . . . 40,788 000       “

Consumption. . . . . 2,203 000 W.H. at 8c=\$176 56

Discount of 10 per cent if this account is paid on or before October

5, 1909. . . . . 17 66

Net balance. . . . . \$158 90

Meter rental (\$1 per annum). . . . . 0 20

\$159 10

Arrears on which no discount is allowed. . . . .

Settled by Imperial Realty Co.—Municipal Electric Dept., (Sgd.) G. E. Pennock,  
Sept. 23, 1909.

Folio 32.

OTTAWA, Sept. 20, 1909.

Mr. J. W. Woods,

Consumption charged. . . . . \$176 56

Discount. . . . . 17 66

Net balance. . . . . \$158 90

Meter rent. . . . . 0 20

\$159 10

Arrears. . . . .

## DEPARTMENT OF PUBLIC WORKS. IN ACCOUNT WITH IMPERIAL REALTY CO., LIMITED.

OTTAWA, September 22, 1909.

Three months' light as per meter accounts attached, June 15 to September 15,  
1909:—

Meter No. 202128—Woods Building. . . . . \$426 87

“ 7787—Canadian Building. . . . . 285 32

“ 993941—Canadian Building. . . . . 243 99

“ 8157—Woods Building. . . . . 303 46

Queen St. Building—Railway Commission. . . . . 159 10

\$1,418 74

Queen Street elevator. . . . . III.

Woods Building, east side. . . . . III.

“ west side. . . . . III.

Canadian Building, east side. . . . . III.

“ west side. . . . . III.

“ rear. . . . . III.

666 00

\$2,084 74



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Service performed; fair and just.—(Sgd.) WM. KING. Sept. 28, 1910.

Power for elevator for three months ending September 30, 1909, 14.8 h.p. per elevator at \$30 per annum per h.p.

Gas and electric light, P.B.O., \$1,418.74.

Electric and other power for running elevator, \$666.

Examined,

(Sgd.) J. S. J. ROUTHIER,  
*For Chief Architect.*

September 29, 1909.

*By Mr. Carvell:*

Q. As the chief architect of the department, have you any knowledge that the Woods building had any special contract with the Electric Light Company?—A. None whatever.

Q. From the documents and the information in the possession of the department, have you anything to lead you to believe that any other officer of the department would know of any private arrangement between Woods and the Company?—A. I don't know. That is what I could not answer.

Q. I am asking you if from the documents in the department, there is anything to show?—A. Not so far as I know. I will say that from memory I don't know as to that.

*By Mr. Blain:*

Q. Who should know if such a contract did exist?—A. Well, I have not much to do with the contract you know.

Q. I am just asking you the question. You say that neither yourself nor any other officer—A. That is what I think at the present time.

Q. Now, as chief architect, who should know of such a contract if such a contract did exist?—A. Well, as a rule if there is a contract the law clerk supplies it to me and of course I note it.

*By Mr. Carvell:*

Q. Ordinarily, would you know if the existence of a contract?—A. Yes.

Q. How do you explain it, Mr. Ewart?—A. Well, as I say, when there is any contract given the Law clerk sends me a copy of the contract, but I have no copy of the contract with Mr. Woods.

Q. You knew the building was being lighted under some contract, didn't you?—A. No.

*By Mr. Sharpe:*

Q. As chief architect of the department, why would the government issue their cheques to Woods and have the readings by the city of Ottawa unless there was a rake-off?—A. That I don't know.

Q. Did not that excite your suspicion? It excited mine the moment I saw the papers, didn't it excite yours?—A. No, I don't think that it would.

Q. Why then didn't you issue the cheques direct to the city instead of to Woods Company if there was not to be a rake-off to the Woods Company?—A. That is what I cannot say.

Q. Wouldn't that excite your suspicion?—A. I would think they would not likely do it for nothing.

Q. And it was just a question as to the amount of the rake-off. When you saw the business transacted in this way you felt satisfied there was a rake-off somewhere, he wasn't doing it for nothing.

Mr. MACDONALD.—He hasn't said anything of the kind, he did not say that at all.

## APPENDIX No. 2

Mr. SHARPE.—I call it a rake-off and he calls it profit.

Mr. CARVELL.—He calls it profit, that is a different thing.

*By Mr. Sharpe:*

Q. As soon as you saw this method of transacting business you knew that the Woods Company was making a profit or a rake-off, whatever you call it?—A. No, I tell you what I think: You know that when the lighting was first started it was with the opposition company, it was with the other company, I do not know the name of it—the Consumers' Company—and, of course, we could not have done it in any other way than through Mr. Woods; he was not going to give it to the other company.

Q. The Canadian building was a new contract altogether, and according to these accounts—

Mr. CARVELL.—I beg pardon, you are giving as a statement of fact that which is not a fact.

Mr. SHARPE.—Yes, I am.

Mr. CARVELL.—No, the evidence yesterday was that the Canadian building was built, that it was simply an extension of the old contract, and they said that before the old company was sold to the municipality the negotiations were practically completed to extend the old contract to include the Canadian building, and that is what they did.

*By Mr. Sharpe:*

Q. Ever since the government has rented the Woods and the Canadian buildings they have been paying by meter, and these accounts were rendered in this way?—A. Yes.

Q. And when you did not issue cheques to the city you knew, or you thought, that the Woods Company was making a profit?—A. Well, I did not say—

Q. You say you didn't expect them to do it for nothing?—A. And I say so still.

Q. Then you expected them to get a profit?—A. Yes, they might get a profit.

Q. This account is not marked 'Paid in full,' it simply says, 'Settled by Imperial Realty Company,' isn't that right? When did they start to make their accounts in that way and mark them 'Paid'?—A. I couldn't say.

Q. Just lately, you have no other instance of it, only these vouchers are marked in that way?—A. Well, I—

Q. Look at all these other vouchers and see if they are marked that way?—A. (Witness examines vouchers). It may have been the auditor asked for that.

Q. Who asked for it?—A. It may have been the Auditor asked for it.

Q. Yes, it might have been the auditor asked for it?—A. Of course, I can't say; I never see these accounts.

*By Mr. Goodeve:*

Q. Who pays these accounts; who O.K.'s them before they are paid?—A. This one is O.K.'ed by the chief engineer, the chief mechanical engineer.

Q. Is he responsible for that?—A. He is under me.

Q. So that he would not pass those accounts without he had first had knowledge of the contract?—A. Well, of course, after the rate was established, that they were to be paid at so much meter rate, that is his authority to go on and pay them.

Q. But you would be the official that established that?—A. Established the rate?

Q. Yes?—A. No, I do not establish it.

Q. Who is the official that would make the contract? I thought you spoke as if it was in charge of your department?—A. Yes.

Q. Well, is it in charge of your department?—A. Certainly, it is in charge of our department.

Q. Then you would be the official?—A. No, I do not settle the rates and things of that kind in the department as a rule.

Q. But you say that no official under you would pass any account until the rate

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had previously been established. Now, then, I want to know who had the authority to establish that? Some one must have had the authority?—A. Well, I didn't establish it anyway.

Q. Well, who would establish it?—A. I said before it might be the deputy minister or the secretary.

Q. Who would advise them? I understand that you are the particular person who had all the statements, you have given valuations of the various buildings, &c., now if you do not do it who does it?—A. The rate is the city rate, it is established by the city.

Q. That is one part of the contract, I am speaking on behalf of the government, who established this rate?

*By Mr. Sharpe:*

Q. Who made the contract between the government and the Woods Company?—A. I don't know.

Q. Is there any correspondence in the department in regard to it?—A. I do not know whether there is or not.

*By Mr. Goodeve:*

Q. But you made a definite statement a moment ago that it would not be passed until the rate was first established. Now I want to know who is the authority to establish it on behalf of the government?—A. Well, I would say that it would be the deputy minister.

*By Mr. Carvell:*

Q. You can easily tell who it was by going back to the date?—A. I have looked to see if I have any authority, I have looked carefully over all my bank documents to see if I have any authority to accept the city rate, and I have no authority that I can find.

*By Mr. Goodeve:*

Q. Well then this official, the deputy minister, I presume is the authority?—A. [The minister or the deputy minister.

Q. On whose report would he act?—A. Well, I don't know, sometimes he will act on my report and sometimes he will not.

*By Mr. Sharpe:*

Q. In this case whose report did he act on? He had the fixing of the rate?—A. Yes, I can't find that I reported on it anyway.

Q. You have no report?—A. No.

Q. Did he ask for any report?—A. Not that I can find.

*By Mr. Goodeve:*

Q. What I want to get at is, you say that in my mind you believe there was a profit?—A. I did not.

Q. Who else would it come before that would have any knowledge of it, or that ought to have knowledge of it?—A. Well, I would say in respect to profit, I didn't say there was a profit, I said I didn't think he would do it for nothing.

*By Mr. Sharpe:*

Q. Consequently, he must do it for something.

*By Mr. Goodeve:*

Q. He didn't do it for nothing, the inference is that he did it for something?—A. Well—



## APPENDIX No. 2

Q. Would there be any other official before whom this account would come that would have more knowledge of it?—A. Not that I know of.

*By Mr. Sharpe:*

Q. Did the minister know this system was adopted?—A. I can't tell you that.

Q. Did you ever discuss it with the minister?—A. No, I never did.

*By Mr. Carvell:*

Q. When was the contract entered into?—A. There is no contract.

Q. When was the arrangement made, when did you commence to pay on this rate?—A. When we occupied the building.

Q. That will be away back in 1905?—A. Yes, somewhere about that.

*By Mr. Goodeve:*

Q. You stand up here and say that there were some terms and conditions under which this lighting was done, and there must be some party who was responsible for it, and we want to know who that party was?—A. I can't tell you.

*By Mr. Currie:*

Q. There are telephones in that building, are there not?—A. I think there are.

Q. Do you pay the bills for those telephones?—A. I do not know; I have nothing to do with that.

Q. Supposing a bill was presented by Mr. Woods for the rent of the telephones, would you O.K. that?—A. No, I would not, I haven't anything to do with it.

Q. You take the electric light for your house from the city?—A. Yes, from the city.

Q. Did not this bill seem strange to you when you knew that Mr. Woods was not making electricity in the building?—A. Yes, I knew that.

Q. If he had an electric light plant there and was selling electricity to the department you would be quite justified in passing an account like this?—A. Yes, if that was the agreement.

Q. Well, then, how does it come when there was no agreement and you knew he was not making electricity, you allowed this account to pass through? Did anybody give you instructions?—A. Well, there must have been instructions given or we would not have passed the account.

*By Mr. Sharpe:*

Q. Who passed the account?—A. Mr. Routhier.

Q. Of the Public Works Department?—A. The Public Works Department, yes.

*By Mr. Currie:*

Q. But the accounts pass before you, don't they?—A. It is very seldom I see them.

Q. Were there any instructions given to you to let these accounts go through?—A. I don't remember.

Q. Can you swear that there were no instructions given to you to pass Woods' accounts?—A. As far as I remember.

Q. Be careful; you are on oath?—A. Yes, I know that. As far as my memory serves me at the present time, I had no instructions.

Q. You don't remember ever receiving any instructions?—A. No.

Q. Did it seem strange to you that Mr. Woods should be selling electricity when he was not producing it?—A. Well, that had been arranged by some other of the heads of the department.

Q. Do you mean to say, as far as you are concerned, that there was no contract that you know of?—A. Not that I know of.

Q. Who owns the meters?—A. The meters belong to the city.

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*By Mr. Sharpe:*

Q. Just one question. You don't know exactly what the terms of the contract are?—A. With Mr. Woods?

Q. Yes?—A. I do not.

Witness discharged.

Mr. J. B. HUNTER, called, sworn and examined:

*By Mr. Sharpe:*

Q. You are the deputy minister of the Public Works Department?—A. I am.

Q. How long have you been deputy minister?—A. Since July 1, 1908.

Q. Have you any personal knowledge as to the terms of this contract for lighting and heating?—A. No, not personal.

Q. Who would have?—A. The ex-minister and the ex-deputy minister.

Q. You don't know from your information how long the contract has to run or whether it has any definite term?—A. It was arranged when we took over the building. When we rented the building to occupy it the arrangement was made then between Woods and the then minister and the then deputy minister as to heating and lighting.

Q. Is there any record of it?—A. I think it was verbal. Woods was coming up to the department three or four times a day.

Q. And it is not on record in the department?—A. Not that I have been able to find.

Q. Have you looked for it?—A. I have had others look. They tell me they cannot find it.

Q. From your knowledge, either by conversation or otherwise with the ex-deputy minister or any person else who has knowledge, what are the terms of the lighting contract?—A. From information that has come to me the terms were that Woods was to be allowed to light the building and charge the department the regular city rates.

Q. Regular city rates?—A. And the current was to be measured. That was the arrangement so far as I have heard, and I think that was the arrangement.

Q. In a memorandum which has been presented by the department—a copy of which I think is in—it is stated that the electric lighting of the building is to be paid for at meter rates, the Imperial Realty Company paying the accounts and remitting them to the department for reimbursement. That is the understanding you mean?—A. Yes.

Q. So that if the Imperial Realty Company were not paying the city the amount they were collecting from the department, the department would be entitled to reimbursement?—A. I will certainly go after them and get it. That is our understanding, that they pay the city and we pay them. If they are not doing it I will have to go after them.

Q. In that case you are entitled to reimbursement?—A. We are.

*By Mr. Carvell:*

Q. That is your contention?—A. Yes. That is what I am going to do, I am going to take it out of them.

Mr. CROSBY.—If you had told us that some time ago there would have been no necessity for our being here so long.

Mr. SHARPE.—That closes the case so far as I am concerned.

On motion of Mr. Sharpe, it was ordered that the following motions and votes, being a part of the minutes of proceedings of a meeting of the Public Accounts Committee, held on May 2, be appended to the stenographic report of the evidence taken on the same day:—

## APPENDIX No. 2

Moved by Mr. Sharpe, seconded by Mr. Carvell, that whereas the expense to the government during the last year for lighting the Woods and Canadian buildings amounted to \$9,465.91, paid to the Imperial Realty Co., which company is not an electrical lighting company; and whereas the city of Ottawa has a standard schedule of prices whereby the lighting would cost only \$5,040 or less, thereby effecting an annual saving to the country of \$4,425.91 or more; therefore this committee desires to urge upon the Minister of Public Works and the government the desirability of cancelling the present arrangement and recovering the excess unjustly paid to the Imperial Realty Co., and giving the city of Ottawa or some other company the contract at lower rates; and that a copy of this resolution be forwarded to the Minister of Public Works.

The question having been put and declared carried in the affirmative by the chairman, and certain contentions arising as to the way in which the question had been stated by the Chair, the chairman repeated his ruling; whereupon Mr. Neely appealed therefrom, and a standing vote was taken, 12 members voting to sustain the ruling of the Chair and 6 against.

Mr. Sharpe moved, Mr. Blain seconding, that whereas the heating of the Woods and Canadian buildings, contrary to all established custom of the present and past governments, has been contracted for and let out to the Imperial Realty Company at the price of four-tenths of a cent per cubic foot of the total contents of the buildings; and whereas the cost of the heating of these two buildings last year amounted to the sum of \$9,163.51; and whereas the cost of the coal, the wages of the men and the repairs amounted to only \$6,047.55; therefore this committee is of the opinion that the government should cancel the present arrangement, and should do its own heating, thereby saving at least \$3,115.96 per annum in this item alone.

The yeas and nays being asked for, and the question being put, the motion was lost on the following division:—

Yeas—Messrs. Blain, Crosby, Currie (Simcoe), Goodeve, Hughes, Lake, Sharpe (Ontario)—7.

Nays—Messrs. Allen, Carvell, Congdon, Loggie, MacNutt, McAllister, McKenzie, Neely, Parent, Proulx, Rankin, Reid (Restigouche)—12.

Moved by Mr. Sharpe, seconded by Mr. Hughes, that whereas the government has entered into certain leases with the Imperial Realty Co., respecting the Woods and Canadian building on Slater street in the city of Ottawa; and whereas the annual rental of the Woods building amounts to \$25,777.20 and taxes, in addition to which the government has expended \$15,675.74 on capital expenditure on the building, including payment of one-half the cost of elevators in the buildings, expensive Ferrozo floors, iron stairs, &c.; and whereas the annual rental of the Canadian building amounts to \$42,536.90 and taxes, in addition to which the government has expended \$45,990.69 on capital expenditure on the building, including payment of one-half the cost of elevators erected before the lease was executed, expensive floors, iron stairway, &c., therefore this committee is of the opinion from the evidence adduced that the terms and conditions of these leases are unfair to the government and display an utter lack of care and good judgment on the part of those persons negotiating the same on behalf of the people of Canada.

The question being put, the motion was lost on division as above recorded

Moved by Mr. Sharpe, seconded by Mr. Goodeve, that whereas one of the chief functions of the Public Accounts Committee is the investigation into all questions as to the fair and reasonable price paid by the government for the various commodities sold and services rendered to the government; and whereas to properly discharge this



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duty it is absolutely necessary that the greatest latitude be given to members of the committee to inquire into the first cost of such commodities and services to the persons selling same to the government; therefore the committee deprecates the unwarranted and continual interruption obstruction of the work of the committee by some of its members, and regrets that the rulings of the chairman, Mr. Warburton, in the present investigation before the committee prevented a full and free inquiry into all the facts of the case.

The question being put, the motion was lost on division as above recorded.

# EVIDENCE

TAKEN BEFORE THE

## PUBLIC ACCOUNTS COMMITTEE

RESPECTING CERTAIN PAYMENT RE

## FLOODING OF LANDS

IN CONNECTION WITH

## ASPHODEL AND PERCY AND HASTINGS VILLAGE

*PRINTED BY ORDER OF PARLIAMENT*



OTTAWA

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EXCELLENT MAJESTY

1910





## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

3rd April, 1910.

The Select Standing Committee on Public Accounts ask leave to present the following as their

## SIXTEENTH REPORT.

Your Committee recommend that the evidence taken in connection with the under-mentioned payments be printed as Appendices to the Journals and also in Blue-book form and that Rule 72 be suspended in relation thereto:—

Payment of \$5,000 to T. O. Murray in connection with purchase of Sawdust Wharf at Richibucto, as set out at V—188.

Payment of \$726 to John Dumas in connection with Richibucto Wharfs, as set out at V—188.

Payment of \$914.12 to T. O. Murray in connection with Richibucto Public Buildings, as set out at V—392.

Payment of \$33,969.60 to the Maritime Dredging and Construction Company in connection with dredging the Gaspereau River, as set out at V—290.

Payment of \$16,050.20 to the Maritime Dredging and Construction Company in connection with dredging at St. John Harbour, as set out at V—193.

Payment of \$44,056.44 to A. & R. Loggie in connection with dredging at Loggieville, Bathurst, Dalhousie and Stonehaven, as set out at V—289 and 290.

Payment of \$48,247.68 to the Maritime Dredging and Construction Company in connection with dredging at Maquapit Lake, as set out at V—290.

Payment of \$73,614.12 to the Imperial Realty Company, and \$622.29 and \$5,383.26 to the City of Ottawa in connection with Rents and Taxes of certain buildings at Ottawa, as set out at V—136.

Payment of \$6,146 and \$150 and \$389 *re* Flooding of Lands at Hastings Village and the Townships of Asphodel and Percy, as set out at W—22, 23, 24 and 25 of the Report of the Auditor General for the fiscal year ended 31st March, 1909.

All which is respectfully submitted.

A. B. WARBURTON,  
*Chairman.*



## MINUTES OF EVIDENCE

HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

FRIDAY, April 1, 1910.

The Public Accounts Committee met at eleven o'clock, Mr. D. D. McKenzie presiding, and proceeded to the consideration of a payment of \$6,146 to persons in Asphodel Township as set out at W—22, a payment of \$389 to parties in the Township of Percy as set out at W—23 and a payment of \$150 to Fowlds Co., Hastings Village, as set out at W—23 report of the Auditor General, 1909, in connection with the flooding of lands.

L. F. CLARRY, called, sworn and examined:

*By Mr. Lennox:*

Q. Mr. Clarry, you are a barrister and solicitor?—A. I am.

Q. And you have until recently practised at Hastings?—A. I have, yes.

The CHAIRMAN.—I have not the faintest idea of what this is about. Will you give me an idea of what it is.

Mr. LENNOX.—It is merely that Mr. Clarry, as I am instructed, was occasionally acting as solicitor for the government in passing titles and investigating titles and obtaining conveyances of certain lands in the neighbourhood of the Trent Valley water system, where the lands are alleged to be flooded, and as I understood—I don't want to state too much about that because I do not know the facts—but as I understand Mr. Clarry obtained permission from the same parties as he was investigating the titles for.

The CHAIRMAN.—Commissions from the parties who were selling the land.

Mr. LENNOX.—That is practically the subject of the inquiry.

Mr. CARVELL.—What is the exact item in the report which we are investigating?

The SECRETARY.—There are two items. Mr. Taylor moved for all accounts, vouchers, letters, reports, recommendations, memoranda, estimates, correspondence and other papers relating to a payment of \$150 to Fowlds Co., in connection with land lying south of Front street, east of William street, and west of New street, within Village of Hastings, and under the heading Hastings Village, as set out at page W—23 of the report of the Auditor General for the fiscal year ended 31st March, 1909, and also for all accounts, vouchers, letters, reports, recommendations, memoranda, estimates, correspondence and other papers relating to a payment of \$389 to parties in the Township of Percy as set out at page W—24 and 25 of the report of the Auditor General for the fiscal year ended 31st March, 1909.

Mr. LENNOX.—There is also the items set out at page W—22 of the Auditor General's Report, Asphodel Township.

Mr. CARVELL.—That is all right, we have no objection to that.

Mr. LENNOX.—I might say, however, that a discussion took place on March 11, in the House of Commons and will be found on page 2329 of the Unrevised Hansard of that date.

Mr. CARVELL.—I do not consider we are investigating what might have taken place in the House of Commons. We are investigating the \$6,000 items. I have no objection to my learned friend going into the subject of the inquiry.

Mr. LENNOX.—I am telling the Chairman that it is not necessary for me to go into the discussion in the House of Commons, but there is a discussion of that in the



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pages of the Hansard. I hope my learned friend has no objection to me answering the Chairman.

Mr. CARVELL.—No, nor any objection to what we are trying to do. But we may as well start with a fair understanding of what we are going to do.

*By Mr. Lennox:*

Q. I think you said, Mr. Clarry, that you were a solicitor practising at Hastings?

—A. I practised at Hastings until about three months ago.

Q. Will you look at this letter, please?—A. Yes.

Q. Is that a letter from you?—A. It is from me.

Q. And this blank retainer, at least this unsigned retainer, is that inclosed in the letter?—A. I believe it was. I cannot swear positively, but I think it was.

Q. This is a letter you sent to Mr. Graham at Westwood?—A. Yes, sir.

Q. And did you inclose the retainer?—A. Yes, sir.

Q. I will read this, Mr. Chairman:—

HASTINGS, Ont., February 9th, 1909.

Mr. GRAHAM,

Westwood, Ont.

DEAR SIR,—Inclosed you will find retainer which I will ask you to kindly have your brother fill in and sign in your presence. Please then return it with Mr. Dickson, and I will have your brother's claim forwarded to Ottawa without delay. I am glad to advise you that I am having very good settlements with nearly all my claims and I think your brother will be dealt with all right. Have him hang out for twelve or fifteen acres and show where the water flows in the spring and make the settlement with Mr. Dickson, and I will be perfectly satisfied.

Yours truly,

L. F. CLARRY.

And this probably would be the retainer which was inclosed?—A. I presume it is.

Q. It is the style of the retainer, any how?—A. I think it is.

Q. Well, I will put this in too—(Reads):—

'I, \_\_\_\_\_, of the Township of Asphodel, in the County of Peterborough, farmer, do hereby request and authorize L. F. Clarry, Esq., Solicitor, of Hastings, Ontario, to make claim on my behalf against the government of Canada, for damages to my lands in the Township of Asphodel, caused by the flooding of the waters of Rice Lake, and I agree to pay the said L. F. Clarry a commission of twenty per cent of all moneys awarded to me as damages aforesaid for his fees and compensation in the matter. In case no damages are awarded to me I am to pay nothing. Dated the 9th day of January, A.D. 1909.

Witness.

Under Seal.'

That was intended to be signed by Mr. Graham?—A. By Mr. Stewart Graham.

Q. Had you any previous connection, had you any connection with Mr. Stewart Graham previous to sending out this letter and retainer?—A. None previous, nor subsequent.

Q. None at all?—A. None at all.

Q. This letter is dated 9th February, 1909. Previous to that time had you been engaged by the government in any capacity as solicitor or counsel?—A. At the time that letter was written to the best of my recollection I was not.

Q. You were not?—A. Yes, sir.

The CHAIRMAN.—What is the date of the letter?

*By Mr. Lennox:*

Q. 9th February, 1909. I find in the Auditor General's Report, 1907-8 an item 'L. F. Clarry, Hastings, \$21.67.'—R. What date is that?

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Q. In the Auditor General's Report for the year ending 31st March, I suppose 1908, it is called 1907-08, I find this item \$21.67, L. F. Clarry. Would that refer to you?—A. I presume if it is L. F. Clarry, Hastings, it refers to me. My recollection is that that has connection with the wharf at Cobourg that they were expropriating. I think that is what that account refers to.

*By Mr. Carvell:*

Q. What were you doing?—A. I was searching a title for the government for land that was being expropriated for a wharf. I think it was in 1906 that my services were rendered in that matter, or probably further back than that, I am not sure now.

*By Mr. Lennox:*

Q. And with that exception, is that the only business you had done for the government prior to February 9, 1909?—A. I think that is everything I had done for the government as solicitor to that time, to the best of my recollection that is all.

Q. As a matter of fact you were not able to bring your books or papers here?—A. No, it was mere chance that I was here. I got a telephone message and was told there was a letter for me to come here. I do not even know whether there was a subpoena or not not, but I came.

Q. Will you tell the committee how this letter was forwarded?—A. Yes. In justice to myself you well let me explain the whole thing.

Q. Anything reasonable, certainly.—A. Well, Mr. Andrew Graham was a merchant at Woodstock. He was a client of mine. He was in my office in the early part of January, 1909, and he told me that his brother Stewart Graham had lands drowned by the flooding of the Trent canal and asked me if I would look after the claim for him. I told him I would. He asked what I would charge. I said I would ask either fees or commission. He said he was uncertain about fees and he agreed to give me on behalf of his brother a commission of twenty per cent. He told me that he would have his brother Stewart call at my office. His brother Stewart did not call. I did not know the reason at that time but I know now. They were quarantined with scarlet fever. However, in the meantime, Mr. Dickson came down to inspect some lands near Woodstock, I think those of George Humphries, and he asked me where George Humphries lived and I told him where he lived and I asked him there and then if he would deliver a letter for Mr. Graham for me. He said he would. I dictated the letter, and I heard nothing more about it. Mr. Dickson did not discuss the letter in any manner, shape or form. It was sealed when I gave it to him. He did not know its contents in my office any way.

Q. You mean he did not know what it was about?—A. Not from me.

Q. But you ascertained from Mr. Dickson—Mr. Dickson was the valuator of the government for these lands?—A. Well, yes.

Q. He was the government valuator of lands in that neighbourhood and you ascertained that he was going out to the farm of Mr. Humphries?—A. Yes, he asked me where the farm was.

Q. G. L. Humphries?—A. I presume it is G. L. Humphries.

Q. And at that time he was going out to value Mr. Humphries' land?—A. Yes.

Q. Did you know anything at that time when you sent that letter as to the extent of the claim of Mr. Stewart Graham?—A. I did.

Q. From whom?—A. From Andrew Graham.

Q. The person to whom you sent the letter?—A. Yes.

*By Mr. Carvell:*

Q. Not the person who sent the letter?—A. Yes, the letter was sent to Andrew Graham to have it sent over to his brother.

MR. LENNOX.—Mr. Clarry says Mr. Andrew Graham was his client and they had a verbal conversation.

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Mr. CARVELL.—But the letter was not sent to Stewart Graham.

WITNESS.—You asked me, Mr. Lennox, how I knew about the land. Andrew Graham told me his brother had from ten to fifteen acres flooded.

*By Mr. Lennox:*

Q. Ten or fifteen acres flooded?—A. Yes.

Q. That is the reason you put in ‘hang out for ten or fifteen acres,’ I suppose—A. That is the reason.

Q. And you say at that time that you had pretty good success or something of that meaning with your other claims against the government?—A. Yes.

Q. You had been forwarding claims for parties previous to that?—A. A number of clients came to me and gave me their claims and I forwarded them.

Q. But you did not at that time investigate any title for the government?—A. To the best of my recollection I did not investigate any titles for the government at that time.

Q. You can make reference to your books as to that?—A. Reference to the files in the department. You asked me about my books. It is going to be a very difficult matter to get my books. I sold out my practice three months ago although I had arranged for the disposal a year ago. Some of them are in Millbrook, some in Toronto, and part of them may be in Peterborough. I have not seen them for months.

Q. Well, we may be able to do without them.—A. I will try to assist you all I can.

Q. Now you say: ‘Please then return it with Mr. Dickson and I will have your brother’s claim forwarded to Ottawa without delay.’ You intended him to do that?—A. Yes.

Q. And you also say ‘Make the settlement with Mr. Dickson and I will be perfectly satisfied’?—A. Yes.

Q. Why did you say that?—A. Well, Mr. Dickson, I understood it had been his custom to go to claimant lands and inspect the same and arrive at the amount of damages which he considered the lands has sustained and if Mr. Graham had signed the retainer and had been willing to have Mr. Dickson go ahead and make a settlement there and then, I would have been perfectly satisfied with what he had done.

Q. Yes. He could pay the amount to Mr. Dickson for you, your fee to Mr. Dickson?—A. I did not say so.

Q. You did not mean that?—A. No, sir, I did not mean that.

Q. Now, Mr. Andrew Graham is a client of yours you say?—A. He was.

Q. Had been for a length of time?—A. Yes.

Q. It was not a case of an isolated transaction with Mr. Andrew Graham?—A. Oh, no.

Q. He was a regular client doing business with you frequently?—A. A client doing business off and on.

Q. I see you do not address him by his Christian name. It would not have suggested itself to me that he was much of a client?—A. Well, Mr. Andrew Graham had been a client for many years. He was a merchant in Westwood and the business I was doing for him did not amount to a great deal. It was a matter of collections.

Mr. CARVELL.—Do you address your clients by their christian names, Mr. Lennox?

Mr. LENNOX.—I put Mr. John Graham or John Graham, Esq., or Mr. John Brown or John Brown, Esq., or whatever the case may be.

WITNESS.—I knew Andy Graham very well indeed and it might have been the fault of my stenographer.

*By Mr. Lennox:*

Q. You see the point?—A. I see what you are getting at.

Q. We do not usually write letters to Mr. Graham or Mr. Brown, we write to Mr. John Brown or John Brown, Esq.?—A. I see what you are getting at, but Mr. Graham had been a client of mine. He had been coming in and out of the office.

Q. Now, Mr. Stewart Graham for some reason did not follow that up?—A. Yes.



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Q. He did not put his claim in through you?—A. He did not.

Q. You suggested the reason a moment ago?—A. Well, I saw Mr. Stewart Graham's sworn evidence as given at Hastings a few days ago.

Q. Well we will not take that.—A. Perhaps we had not better say what he swore.

Q. You had no conversation with Stewart Graham at that time?—A. I never met him in my life until a few days ago. He did not receive the retainer, I did not act for him or receive any money, or anything else.

Q. You know Mr. James A. Warner?—A. I do.

Q. He had a claim against the government?—A. Yes.

Q. He lives in the township of Asphodel?—A. He does.

Q. And he was paid by the government for flooded land \$330?—A. I believe that is the amount.

Mr. CARVELL.—What page is that on?

Mr. LENNOX.—Page 22—W.

*By Mr. Lennox:*

Q. Now did you investigate the title for the government in that case?—A. James Warner's? I did.

Q. And your bill has been passed by the government for your expense in connection with it but not paid?—A. I have not received any payment for it but I presume it will be paid. They have not said they won't pay it.

Mr. LENNOX.—I did not suggest that they would not pay it.

Q. Now do you know what your bill was against the government in the case of Warner?—A. I do not know. It will speak for itself. It is filed somewhere.

Q. Did you put in the Warner claim?—A. I did.

Q. And at that time I presume, to be fair, with you, you had not been instructed by the government to do anything in reference to Warner's claim?—A. Not at all.

Q. When you began to act with Warner that was the first of that transaction?—A. Yes.

Q. You put in a claim for him?—A. Yes.

Q. Did he sign a retainer?—A. He did.

Q. Was it similar to that one?—A. No, I do not think it was. It was written I think on a piece of paper in long hand, and it might have been very different from it.

Q. Is Mr. James Warner here?—A. He is here.

Q. Have you got that retainer?—A. I do not think it is in existence. When I cleaned up my office and Mr. Warner paid his fees I destroyed my papers.

Q. It would not be in a retainer book?—A. No, sir.

Q. And this retainer, I notice, is evidently made out to suit a number of cases because you say the township and other particulars are left blank and written in?—A. I see that.

Q. So it is intended to be the same generally. Well, you say that the retainer Mr. Warner signed was not practically in this form?—A. I do not know that it was. I do not think it was the same, though it might have been.

Q. Did it provide for the payment of a commission?—A. Yes, sir.

Q. Of what amount?—A. Twenty per cent, I think.

Q. On the amount of damages to be awarded?—A. Yes.

Q. In that respect, it would correspond to this one?—A. So far as that is concerned.

Q. And did it provide, 'in case no damages are awarded to me, I am to pay nothing'?—A. I do not know whether it did or not. I may have told Mr. Warner that if nothing was awarded I would not charge anything. I cannot recollect anything distinctly as to that.

Q. Have you any impression that you did not, that is giving you a fair chance?—A. I would not like to pledge my oath that I did or did not.

Q. Is that the kind of retainer you generally take? I am not criticising it at

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all.—A. If a man comes into my office and says, 'Here, I want you to look after my land,' and if I was there alone I would simply write out on foolscap and hand it over to him and say, 'All right, I will look after your claim.' At other times I might dictate something to my stenographer.

Q. This retainer was intended for general use. It indicates that?—A. It may have been.

Q. Have you no recollection that it was?—A. I would not say positively. It may have been intended two or three at a time.

Q. That is your impression?—A. Yes.

Q. How did you collect a commission from Mr. Warner?—A. Mr. Warner paid me a commission.

Q. How much?—A. About \$60, I think.

Q. Can you not be any more definite than that? His claim was \$330?—A. It would be about \$66. I do not know whether he paid \$66 or \$60. It was in the neighbourhood of \$60.

Q. For your service in connection with looking after his claim with the government?—A. Looking after his claim against the government on Mr. Warner's behalf.

Q. When were you instructed by Mr. Warner?—A. I think it would be early in January.

Q. Of what year?—A. 1909.

Q. And when did the government instruct you to look after the title? Oh, by the way, where did you forward that claim to?—A. To the superintendent's office in Peterborough.

Q. That is the gentleman in charge there?—A. Mr. J. H. McClelland.

Q. You forwarded that?—A. Yes.

Q. Did you forward it with a letter from your office on your office paper?—A. Yes.

Q. In the ordinary business way?—A. In the ordinary business way. Will you let me explain why I did that. Well, the first claim I got was from Mr. Henry Humphries. It was back, I think, in November, 1908. I did not know the procedure and I wrote to the superintendent asking him if it was necessary to forward it to Ottawa or to him in Peterborough, and I got instructions back that the claim would be attended to if it was filed in the superintendent's office in Peterborough.

Q. I am not complaining of that. I thought it was quite a proper thing. You sent his claim in to the office at Peterborough in what you would call the ordinary business way?—A. Yes.

Q. And it was contained in a letter written by you on your own office paper and signed by you?—A. Yes.

Q. And stated generally that you forwarded this claim?—A. And that I wanted it attended to as quickly as possible.

Q. And you forwarded that when?—A. Early in January, I think.

Q. What was the next step in that matter?—A. With Warner's claim?

Q. Yes.—A. I got a letter from the superintendent saying that Mr. Dickson would be down, I think, in a day or so afterwards.

Q. In a day or so after you had put in your claim?—A. And Mr. Dickson came down and asked me where Mr. Warner lived. I had spent some time before going into the matter with Mr. Warner finding out particulars and one thing and another and had got a correct description of this land. Well, after I got word from the superintendent, the commissioner or valuator or inspector or whatever you call him, came down and asked me where Mr. Warner lived. I told him as nearly as I could where he lived. He did not know his exact residence, so he went out and inspected Mr. Warner's property.

Q. Now, this point is clear enough, that the government officials at Peterborough

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knew early in January that you were acting for Mr. Warner?—A. I presume they did. I had no reason to believe to the contrary.

Q. Is there a brother of yours in that office?—A. I have a brother a clerk in that office.

Q. You told me a little while ago that when you wrote that letter to Mr. Humphries—A. Humphries?

Q. I beg pardon—to Mr. Green, that you had not, at least you felt sure you had not at that time been employed in any case by the government?—A. I will qualify that.

Q. Subject to what I will call your attention to afterwards?—A. You presented an account, I connect that with the Cobourg wharf. I did not say I was absolutely sure, but to the best of my recollection, and I say so still. I was not retained. It may be I received one of these claims prior to that, but to the best of my recollection I did not.

Q. As a matter of fact did not you receive this Warner claim?—A. You can very easily find it out by turning to the files.

Q. There is what I find. It does not exactly clinch the matter but comes close to it. On February 10, this year, the bill I am looking at in the Warner matter and I presume, yes, it must be 1909, because it is stamped 1909, June, 1909?—A. Any year at the head of it.

Q. There is no date at the head of it?—A. It is intended for 1909.

Q. Well February 10. The first item is: 'Having received claimed herein for adjustment?'—A. That verifies what I have sworn to, that previous to February 9, I had not received any claim. I think that verifies it.

Q. Do you mean you only received it on the 10th?—A. Yes, I checked it up when I received it. I think so, but I am not going to be drastic about it. What is the item?

Q. 'Having received a claim for adjustment.' It looks probably the beginning of it?—A. Yes, that is the first of it.

Q. I suppose probably it might have been a matter of a week earlier before any entry came to be made?—A. No, I do not think so.

Q. Well, you are giving us the best of your information, and I have no doubt, Mr. Clarry, that you would be able to verify this in some way by bringing down your books or looking at your books, and there may be some other claims which will give us some light on it. However, there is this fact that you received \$60 to \$66 from Mr. Warner as commission for acting for him in this claim and you acted in this claim for the government as well?—A. At the time I acted for Mr. Warner I had no connection with the government in any manner, shape or form. After the claim had been adjusted I received instructions from the government to seach Mr. Warner's title to that property and I did so.

Q. It is a fact you acted for Mr. Warner and you also acted for the government in connection with the title of this land?—A. Not concurrently. It is a fact that I did act subsequently for the government after I had acted for Mr. Warner.

Q. And for the government you received—I am not questioning the amount—your fee of \$25.86?—A. No, I have not received that yet.

Q. They allowed that. I see you put in your bill for \$32.36?—A. They taxed off a portion.

Q. They lowered that?—A. To \$25.86.

Mr. CARVELL.—It means that it was taxed by somebody.

Mr. LENNOX.—It is modified in some way.

*By Mr. Lennox:*

Q. Now, that is as much as I need say about Mr. Warner. Now, do you say that before you were instructed by the government that this claim of Warner's had been adjusted?—A. I do unequivocally so.



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Q. That is the position you take in reference to it?—A. I had nothing whatever to do directly or indirectly on behalf of the government in adjusting or assessing damages in any manner, shape or form at any time.

Q. Now take G. A. L. Humphries, he had a claim?—A. Yes.

Q. Of \$500?—A. Yes.

Q. Did you put that claim in?—A. I filed G. A. L. Humphries' claim for him, I looked after it for him, yes.

Q. At Peterborough?—A. Yes.

Q. When?—A. I think that was early in January too.

Q. Do you mean that these claims all came in about the same time. Is that your recollection of it?—A. Sometimes there would come two or three at once. What is the date there on the receipt?

Q. The date as to the instructions to have the adjustment made is February 10, the same as the other?—A. I presume that is right.

Q. You say that was in January. Did you say early in January?—A. To the best of my recollection early in January.

Q. You received a claim early in January from G. A. L. Humphries?—A. Yes.

Q. Was that the result of solicitation or did he come voluntarily to you?—A. My recollection is that he telephoned me about the claim and said he had a claim.

Q. Did he come to your office or did you do anything on the telephone?—A. I think we made the bargain over the telephone.

Q. And you were to get what amount?—A. Twenty per cent of my recollection is.

Q. On the claim?—A. On the amount allowed.

Q. And nothing if you did not succeed?—A. Well, I think Mr. Humphries' retainer was of the informal kind but I won't deny that perhaps there was a rider to that effect.

Q. There may have been?—A. There may have been.

Q. It may have been about the form of this produced?—A. It may have been.

Q. You cannot say it was not?—A. I do not think it was because I think I wrote it out when he came down, in longhand.

Q. But you discussed the matter over the telephone?—A. Previously.

Q. Did you tell him you would not charge anything if you did not recover?—A. My recollection is that he rung me up or had some one speak there for him, I am not absolutely certain, and said he had some drowned land there and wanted to know if I would look after the claim for him. He wanted to know what I would charge and I said twenty per cent.

Q. On the amount you would recover?—A. Yes, and he said all right.

Q. Did you say you would not charge if you did not recover?—A. I do not know. Mr. Humphries can speak as to that. I do not know whether I did or not.

Q. And you do not know whether the retainer was in this form or not?—A. I will not swear.

Q. Had it this provision?—A. I won't say whether it had or had not.

Q. When he telephoned you did you then put in the claim without seeing him?—A. Yes.

Q. Before you got the signed retainer?—A. I think I did.

Q. Have you got the retainer?—A. No, sir.

Q. Have you destroyed it?—A. Let me explain. I left Hastings, as I told you, about three months ago.

Q. I am not passing any imputations on you?—A. I believe you are trying to be fair, but I cleaned up matters in my office that I was connected with, and that I was through with, and in the presence of my clerk and stenographer I burned a great many papers in the stove, and, I presume, I do not know absolutely, but I think this was burned along with other papers. I had no further use for it.

Q. Do you believe you have any papers in connection with say G. A. L. Humphries claim at all?—A. I do not think I have any papers at all.

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Q. For instance, have you the papers that passed between you and the government?  
—A. The government would have these. I returned them to the government.

Q. Would you not have instructions from the government?—A. If there were they would be filed. I do not know that I have.

Q. When you probably destroyed the retainer, you say you destroyed that because the transaction was at an end as you understood. Did you also destroy the instructions from the government or did you retain that?—A. Well, I would not like to pledge my oath as to that. I do not know that I did.

Q. You probably have whatever correspondence came from the government in connection with all these claims?—A. I would not say that. I have stuff packed up in about forty boxes and they have been packed up for months. I was going and had my ticket bought for the West and was to have left on March 14, when these charges came out on the 12th and I have remained here ever since and I have not seen these things since. Part of my papers are in Millbrook, part in Toronto and part in Peterborough.

Q. Probably it is not necessary for the question I am asking. Do you believe you have the papers which you got in connection with the various claims from the government?—A. I cannot produce them.

Q. One step at a time is a good plan. I am not asking you that, I am not speaking of producing, I only wanted at this stage to know not in reference to producing them, that I have not in mind at present, I want to know whether you believe you have them?—A. I may or I may not.

Q. Can you not go further than that? You are a solicitor, the same as I am myself, and I do not want to unduly press anything, but I think you ought to be able to tell me more than that?—A. I cannot swear whether I have or have not.

Q. What is your impression?—A. My impression is—

Q. Is it your impression that you have them?—A. No.

Q. I would think you would have them?—A. I do not know why you should think that.

Q. I think a lawyer would preserve them. The transaction is not yet closed. I would think you would have them?—A. The government has never said they would not pay the bill.

Q. Lots of people never say they won't pay and yet they never pay?—A. As far as that goes I may have been a little risky on that.

Q. I think you will get your pay all right. Now, what I understand you to say is you cannot give us any indication or idea as to whether you have the correspondence that came from the government in reference to any of these claims or not?—A. I cannot. I do not think there should be any difficulty. Can we not search for them here in the department?

Q. It was in reference to another idea in my mind that I wanted to know that. When was Mr. Humphries paid by the government?—A. Will you let me refresh my memory from that account. Some time about the latter part of March or the 1st of April, about a year ago.

*By the Chairman:*

Q. 1909?—A. Yes, I think it would be that.

*By Mr. Lennox:*

Q. April 5, is the last date here?—A. It would be before that. The latter part of March.

Q. Would it not be after the last date here? Well, would you pay him before the document was registered?—A. Yes, well in that case I might have, I do not know.

Q. You probably did pay it before the documents were registered?—A. I did it on the instructions of Mr. Humphries, and sent it to Peterborough.

*By Mr. Carvell:*

Q. That is G. A. L. Humphries?—A. Yes.

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*By Mr. Lennox:*

Q. An he paid you twenty per cent on his claim?—A. Yes.

Q. That would be how much?—A. About \$100.

Q. I think it is \$102.50?—A. Something like that.

Q. And your bill to the government was put in at \$34.87, and allowed at \$29.87?  
—A. That appears to be correct.

*By the Chairman:*

Q. Can you say that in the searching of the title in this it was the same as the one you have already stated, that you had finished with the one before you took the other. You said in one case that you searched the title after the claim for damages was closed. This is the second case. Does that apply? Were you clean away from the one before you took the other?—A. No, there were some running concurrently.

*By Mr. Lennox:*

Q. There were other claims?—A. I think there were.

Q. There were a good many claims altogether?—A. Fifteen or sixteen.

Q. And they were overlapping each other, some earlier and some would be later?—A. Yes.

Q. And your next step would be to send the claim to Peterborough?—A. Yes.

Q. Would you have anything more to do until you were instructed by the government to search the title?—A. I made several trips to Peterborough to find out the basis on which awards were made and the procedure in general.

Q. That would be in connection with the claims you had generally, to equip yourself with the knowledge to enable you to successfully prosecute those claims?—A. To see that the claims were properly looked after.

Q. Confining it to this claim, to Mr. Humphries' claim, did you make any special trip in reference to Mr. Humphries' claim?—A. I will not swear I did.

Q. There would be nothing after the claim until the time the government instructed you to investigate the title?—A. There might have been.

Q. Have you any recollection of anything?—A. Not in this particular case, but I could give you instances.

Q. When we come to them, but in this case you have no recollection?—A. I have no recollection.

Q. Then you proceeded to investigate the title?—A. Yes.

Q. And you advised upon the title?—A. I saw whether it was a good title.

Q. That is advising on the title?—A. I presume so.

Q. And your bill is set out in detail. There is just one item I might read that bears out your idea and mine: 'March 5th,—To investigate title of Mr. Humphries, several attendances, drawing the release in duplicate, drawing declaration for Mr. Humphries, fee, \$20?'—A. Yes.

Q. So you charged the government for all the actual work in connection with the title, and I think as far as I have been able to see, with clearing up the title?—A. I certainly wanted to safeguard the interests of the government to see that each man had a proper title.

Q. Did you charge them?—I charged them with investigating each title.

Q. And whatever inspections were necessary to clear up the title?—A. I included that in the fee.

Q. And if you had been compelled to advise that this title was not satisfactory you would not have got any fee from Mr. Humphries?

Mr. CARVELL.—What is that?

*By Mr. Lennox:*

Q. If you had been compelled to advise against this title?—A. As in every other case, yes, I lost the fee.



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Q. You would not have got any fees from Mr. Humphries?—A. I would not have got any fees or commissions from Mr. Humphries if he or any other claimant had not a good claim to his land.

Q. And that applies to every title you investigated?—A. Yes, and that is the cause of all this trouble, I am sorry to say.

Q. Now A. A. Humphries, he had a claim, that is the same man?—A. Yes.

Q. \$911, you said?—A. Something like that.

Q. Did you put that claim in?—A. I did.

Q. Did you act with him the same as with the other cases?—A. Yes.

Q. Did you get a retainer from him?—A. Yes.

Q. How did he instruct you?—A. He came down and told me to look after it. He had been a client of mine for years.

Q. He came down and asked you to look after his claim, an old client?—A. Yes.

Q. And you and he talked as to the amount of his claim?—A. Yes.

Q. Was that the amount of his claim, \$911? Was it not considerably more than that?—A. It is filed.

Q. I can probably tell you that.—A. He claimed \$1,500 I think.

Q. And you say he was an old client. There is no doubt about that?—A. Yes.

Q. And you took from him a retainer to give you twenty per cent on a claim of \$1,500?—A. On whatever he would be allowed.

Q. His claim being supposed to be \$1,500?—A. I never mentioned the amount.

Q. But I mean his claim at that time was \$1,500?—A. Well, when the appraiser went there a man might have land damaged and might claim general damages.

Q. I mean that the claim you put in from Mr. A. A. Humphries was \$1,500?—A. No, it was not. I put Mr. Humphries' claim in blank. I did not know what it was.

Q. Did you ever reduce it to any amount?—A. No, I did not. I got the number of acres damaged that is all.

Q. Now I have here a written claim signed by Mr. Adam Humphries on 15th January, 1909, and it mentions \$1,500?—A. Yes.

Q. That would not be made out by you?—A. I know nothing at all about it.

Q. So far as Mr. A. Humphries was concerned he mentioned a claim of \$1,500?—A. No, he did not mention a claim of \$1,500.

Q. At the beginning you say he and you talked it over, the amount of his claim? We will go back?—A. Mr. Humphries came and told me that he had so many acres damaged. I cannot speak from memory. I filed the claim for so many acres damaged.

Q. And did not specify the amount?—A. I do not think I mentioned any amount in any shape or form in the letter.

Q. Did Mr. Humphries, when he instructed you, tell you how much an acre he thought it was worth?—A. He may have.

Q. Don't you know that he would as a matter of fact?—A. I do not know that he would as a matter of fact. I want to give you all the information I can free and frank.

Q. You don't know that he did. What is your impression?—A. Well, my impression is he may have and he may not.

Q. Well, that is hardly it. Your impression is not that he may or may not have done so. Have you not a feeling that he did so or did not?—A. Well, if it is a question of my feelings I do not think Mr. A. Humphries told me any amount. I do not think any claimant ever told me any amount.

Q. You do not think Adam Humphries mentioned that this land is worth \$25 an acre or anything like that?—A. I do not think he ever did. He may have. I am speaking from memory.

Q. You do not know how many acres it was?—A. No.

Q. I see it is stated afterwards it was 92 acres. Does that refresh your memory at all?—A. I cannot say as to that.

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Q. He was an old client you say?—A. Yes.

Q. An esteemed client?—A. I cannot say as to that.

Q. And you took a retainer of twenty per cent?—A. Yes.

Q. And you would not have taken it if you had not thought it right?—A. Well, none of them would pay fees. They thought it better to go on a commission basis.

Q. Now this claim is evidently something, you had nothing to do with the claim on file?—A. Nothing whatever.

Q. In it, it is stated that he claimed \$1,500 and that the claim has been adjusted and recommended by the engineer, the valuator Mr. James Dickson. I think that is Dickson's writing. Do you know his writing?—A. I do not know. I have not even seen his writing. I have seen him sign his name. I know he has a shaky hand. It looks something like it.

Q. He recommended \$911 and that was finally paid?—A. Yes.

Q. There has been a regular grist of these things on 10th February apparently?—A. I do not know if there was.

Q. Well, this again: 'Having received claim herein for adjustment, to letter to Mr. Humphries and call.' The same date?—A. Yes.

Q. Your letter of claim would be forwarded from the office at Peterborough to whom?—A. I do not know.

Q. Do you not know what the procedure is?—A. No.

Q. It would be forwarded to Ottawa anyway?—A. I do not know.

Q. You never heard it?—A. I never heard it. I do not know of my own knowledge but it is natural to think it would be.

Q. And the government would know, you would think, when you were instructed to act for them, that you were acting for Mr. A. Humphries?—A. I do not know.

Q. I say you would think so?—A. Well, yes.

Q. Well, in this matter you make up your bill and send it in. It was how much?—A. Well, there were three lots and the title was defective and there was quite a lot of trouble in getting it straightened out. I see it is \$63.88, allowed \$53.88. Three lots.

Q. That is pretty close for a lawyer to strike, within \$10?—A. We can all come pretty near it, you know.

Q. You say there were three titles in this?—A. My recollection is that there were.

Q. There were difficulties in the title that had to be cleared up?—A. Yes.

Q. Do you remember what the nature of them was, deeds having to be obtained and things of that kind?—A. Well, yes, I had a communication with a firm in Toronto.

Q. A letter to Henderson & Davidson?—A. Yes, that would be the thing.

Q. Donald Campbell's will?—A. I think that will was not registered or something like that.

Q. No doubt these fees of yours include, I think you are right as to the three titles. There is the amount charged, \$20 as usual. It is time honoured if nothing else. Then there is another title \$10 and fee, and another title \$10, making \$40 for fees on title. What I want to make clear is this, that whatever conveyances or anything of that kind were necessary to clear up the title in this and other cases you always got them and included them in your bill?—A. Releases, yes.

Q. Whatever documents would be necessary to make a title perfect to the government; you would obtain these and they would necessarily increase your bill?—A. Yes, but I do not think they have allowed them.

Q. They do not say what they have taxed off?—A. I think they started in to allow a \$20 fee and that included everything if I recollect rightly.

Q. They have not stuck to it?—A. I think so.

Mr. CARVELL.—These disbursements make it up.

WITNESS.—That is it, these disbursements.

*By Mr. Lennox:*

Q. I do not think there will be anything found where they have not allowed more than \$20 fees and disbursements?—A. I do not know what they have allowed.

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Q. This is just one of them. They have taken off \$10 and I think that leaves on a very considerable number of letters, declarations and things of that kind.

Mr. CARVELL.—You will find they have allowed \$20 and disbursements. Here is a case here where they have just allowed \$20 and disbursements.

Mr. LENNOX.—In this case they have allowed \$40.

Mr. CARVELL.—\$40 and disbursements.

WITNESS.—For the three titles.

*By Mr. Lennox:*

Q. Are these all actual payments, these disbursements?—A. Actual payments, every one.

Q. Now you got from Mr. Adam Humphries, how much did you get from him?—A. How much was his claim?

Q. His claim was allowed at \$911?—A. I did not get twenty per cent from Mr. Humphries. I remember that quite well. I got about \$160.

Q. How is that? Why didn't you take it all? I do not mean the whole claim, I mean all the commission?—A. You would have made a bigger kick if I had taken all the commission. Well we sat there and talked the thing over when it was fixed up and I did not ask it all.

Q. It was your own generosity?—A. It was my own generosity.

Q. About \$160. Do you think Mr. Clarry that you can depend on your memory for that?—A. Yes, I do.

Q. I do not know whether Adam Humphries is here or not. You did not see him?—A. No, I do not know anything about the matter.

Q. Then Mr. John Sargent. Did you put in a claim for him?—A. I did.

Q. When was that?—A. Early in January.

Q. How did you come in contact with him?—A. Mr. John Sargent rung me up over the telephone.

Q. Was he a client?—A. Yes, he was one of the best clients I had in that part of the country.

Q. A good client?—A. An excellent client.

Q. And he rung you up over the telephone and you made your arrangement with him over the telephone?—A. Yes, we talked it over and I told him to come in.

Q. And did you tell him how much you would charge him?—A. Not over the telephone.

Q. Did he tell you what the extent of his claim would be, over the telephone?—A. No, I told him to come down and we would discuss it.

Q. So you did not advance it very far verbally?—A. Not over the telephone.

Q. And when he came down, what time of the year was it?—A. Early in January.

Q. There was a great crop of them altogether?—A. I only got a few, fifteen or so. I understand there were about 600 claims so my percentage was not very heavy.

Q. You would have as much reason to kick as Mr. Humphries for that matter?—A. More.

Q. When he came in did you have a special retainer for him or did you use one of these forms?—A. I think I wrote one at the desk.

Q. Why don't you use one of the printed ones?—A. I have no reason to offer why I did not. Mr. Sargent may not have been in until after office hours. He frequently did not come down until after office hours. I sat down there and wrote something and he put it in.

Q. As a matter of business would not you strike off forty or fifty at a time?—A. Why so many?

Q. You were in with the government?—A. Not in that sense.

Q. A good supporter of the government. Didn't you have a number of these in the office?—A. I do not deny that.



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Q. Well, didn't he sign one of these. You say you wrote one out?—A. Yes, in long hand.

Q. And he signed it?—A. Yes.

Q. For twenty per cent?—A. No.

Q. What was it?—A. It was twelve or fifteen per cent.

Q. It may have been the statutory rate twelve per cent?—A. I did not have that in mind at the time. I think it was fifteen per cent.

Q. You were charging some of them fifteen per cent?

Mr. CARVELL.—Henry Humphries was one.

*By Mr. Lennox:*

Q. It was fifteen per cent and his claim was \$600?—A. I think it was.

Q. That would be \$90 was it?—A. I do not think I got \$90 from Mr. Sargent. I think I got \$75.

Q. He did not go back on you?—A. He did not, he is not like Henry Humphries.

Q. Mr. Sargent's was \$90?—A. I accepted Mr. Sargent's word for it.

Q. Is Mr. Sargent here?—A. Yes, he is sitting over there.

Q. Was this retainer practically in the same form as the one here?—A. In substance I suppose it was.

Q. You think it was a proper form?—A. Yes.

Q. That you would recover the percentage on the amount recovered from the government and nothing if nothing was recovered?—A. I do not know whether I put that in or not.

Q. Will you swear you did not?—A. I won't swear I did not.

Q. So far as you know it might have been in?—A. It might have been in.

Q. You were instructed in this seemingly on 15th February, that is the first date of your bill?—A. That would be the date then.

Q. 15th February. 'Having received claim herein Deputy Minister of Justice for adjustment 15th February.' At that time you had in hand at all events the claims of James Warner?—A. I had some claims in hand.

Q. James Warner's?—A. Yes.

Q. G. A. L. Humphries and Adam Humphries?—A. Yes, I think that is right.

Q. These were all in hand?—A. Yes.

Q. And you had sent in the claim of John Sargent?—A. Yes.

Q. Then you got instructions on the 15th to search the title?—A. Yes.

Q. And as you said before you would assume that at that time the department would know you were acting for them?—A. I did not say I assumed it at all.

Q. You said you would judge it?—A. I did not say I would judge it. They might not.

Q. Have you any doubts when your letters went in, that the department was aware that you were acting for these parties?—A. I did not know whether they were aware that I was acting for these parties or not.

Q. What did you think about it?—A. I never gave it any thought at all.

Q. Wouldn't you judge they would?—A. I presume there was correspondence.

Q. And they would read your letters?—A. I presume they would. I do not know whether they would or not.

Q. You cannot swear to it, but you would expect they would have to find out whether there was a claim before they wrote to you to investigate?—A. Who.

Q. The government?—A. I do not know as to that at all. I think it was done through the superintendent's office.

Q. The letter which came to you to investigate the title of say John Sargent's property, was it from the Peterborough office?—A. No, sir.

Q. It was from the Ottawa office?—A. Yes.

Q. From which department?—A. Justice.

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Q. Justice department?—A. Yes.

Q. And that was the result apparently of your having sent in a claim?—A. Yes.

Q. In each case?—A. In each case.

*By Mr. Carvell:*

Q. What is that you say?? I do not think he understood the question.—A. Put the question again.

*By Mr. Lennox:*

Q. Their instructing you.—A. Who? The government instructing me?

Q. Their instructing you would be the result of your sending in a claim?—A. The mere fact of my filing a claim.

Q. The fact of having to instruct some counsel would be the result of your having sent in a claim?—A. Would be the result of damages having been awarded by the commissioners.

Q. And that would be the claim you sent in?—A. It may or may not have been the claim I sent in.

Q. You did not take this money for nothing?—A. No.

Q. You got the money because you had presented the claim?—A. Because I had looked after the claim.

Q. Have you presented the claim?—A. Yes.

Q. Because you had presented the claim and had looked after it?—A. Yes.

Q. And you understood and understand now that it was on the claim that you put in that payment was made or else you would not have taken fees or commission?—A. I got paid for claims I filed and those who agreed to pay me a commission.

Q. And it was a condition of your retainer that you would be paid a commission in case you were successful?—A. In case they were awarded damages.

Q. And you took your fees or commission because you understood you were successful?—A. Yes, the claim was allowed and they were awarded damages.

Q. Now at the time, you can say as you think you ought to say, you thought at the time they wrote you telling you to investigate the John Sargent title and obtain conveyances and so on that they already had that claim and at least one, two, three others in?—A. Less, they had some claims in.

Q. And all these claims were forwarded by you by letter written on your official paper signed by yourself?—A. To the superintendent.

Q. At Peterborough?—A. Yes.

Q. Did you make inquiry of the superintendent at Peterborough as to how the thing was going on and how these claims were getting along?—A. No, the only communication I would have with the superintendent would be if I noticed defects with the title and I referred the matter back to Ottawa for instructions and they sometimes referred it back to Mr. McClelland.

Q. For instance, did Mr. McClelland tell you at any time when he would be in or by letter that he would forward the claims to Ottawa to be looked into?—A. No, he never wrote me that; I knew it though; I knew it by the correspondence that came to me.

Q. And you know, as a matter of general knowledge, that it would come before council and be passed upon?—A. I saw the order in council, yes.

Q. \$90 you got from Mr. Sargent?—A. Yes.

Q. And the bill was put in at \$29.48 and \$5 was taken off, leaving \$24.48. That would be the system you say?

Mr. CARVELL.—Every one I have looked over has had everything taken off except \$20 and disbursements.

*By Mr. Lennox:*

Q. You ascertained it at an early stage of the game, if I may say so?—A. Ascertained what?

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Q. That that was their system?—A. I do not know.

Q. Now, we will come to Charles Fowlds. Is Mr. Fowlds here?—A. Yes, Charles Fowlds is here.

Q. Did he put a claim in your hands?—A. On behalf of the company of which he is manager he did.

Q. Do you remember how much?—A. No, no amount was mentioned at the time he put it in.

*By Mr. Carvell:*

Q. What company is that?—A. Fowlds Company. He lives in Hastings.

Mr. CARVELL.—Here it is, \$150.

*By Mr. Lennox:*

Q. Had you any trouble in settling with Mr. Warner?—A. No, none whatever.

Q. He did not kick against the payment?—A. None whatever.

Q. Who was present when he paid, do you recollect?—A. I think his wife was present.

Q. Was Mr. Dickson?—A. No, sir; Mr. Dickson was not present. He was not in Hastings at the time, to my recollection.

Q. He was not in Hastings or in your office?—A. Yes, sir.

Q. When did Mr. Fowlds put in his claim?—A. I think that was some time in the winter. It may have been February.

Q. May it have been a good deal later?—A. It may have been later.

Q. The bill does not begin until 5th May?—A. Well, claims filed in January, some of them did not come in until May 1. Mr. Fowlds filed his perhaps in March or April; I am not sure of the date.

Q. Looking at this bill, the first item is 'Having received claim for adjustment, letter to the Deputy Minister'—acknowledging that seems to have been something you did not always do. It is not always in the bill?—A. I think you will find it in every bill. I do not know that you will find an exception to it.

Q. Well, now looking at that bill, do you still say you think that would be the time you got instructions?—A. I do.

Q. It would not be in a month of time before that?—A. No.

Q. About that time?—A. Yes.

Q. And at that time, May 5th, when the government gave you instructions to look into this title they knew you pretty well as a promoter of these claims?—A. You have no authority to use that word at all.

Q. I did not say it offensively. They knew you pretty well as the gentleman who forwarded claims to them?—A. I do not know that they did.

Q. What would be your common sense view of it?—A. I do not know anything about that.

Q. And you have no idea?—A. I have no idea, as I have stated before.

Q. You would not hazard an idea about it?—A. I would not hazard an idea on it.

Q. For anything you know the government might not have had any knowledge of you at that time?—A. For anything I know, the government might not have had any knowledge of me except in so far as I was asked to search titles.

Q. And they might not have had knowledge at that time that you had put in four claims?—A. Or any other time.

Q. They might not have read your letters forwarding the claims?—A. I do not know that my letters were ever seen by any member of the department.

Q. At all events Mr. McClelland, if that is the name at Peterborough, the government official knew that you were putting in claims?—A. I was not a government official.

Q. I did not say you were, Mr. McClelland?—A. He is superintendent of the canal.



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Q. The superintendent of the principal office in that district in Peterborough knew in May that you had at least four claims in?—A. I presume he did.

Q. On May 5?—A. Yes.

Q. We will have to get him to know what he did with those letters. But you do not think you ought to say that you would suppose that the government would know you had been forwarding claims?—A. I cannot say because I do not know it.

*By the Chairman:*

Q. Each department was keeping alone?

Mr. LENNOX.—The Railways and Canals were getting the land and the Justice Department were looking after the titles, and it might make some difference that circumstance. It might be of some importance.

The CHAIRMAN.—They might not tell them that this man was putting in claims. I understand there were no lands bought, it was a right to flood.

WITNESS.—It was giving them compensation for damages sustained, but the government did not buy land from any one. They got a lease for damages so long as the water did not exceed the maximum height.

Mr. BARKER.—The right to continue flooding?

WITNESS.—The right to continue flooding?

*By Mr. Lennox:*

Q. And for all previous damage?—A. All future damages, so long as it did not exceed the maximum height.

Q. What was your arrangement with Mr. Fowlds?—A. Charlie Fowlds came to my office. I may explain that Charlie Fowlds was one of the best clients I ever had. My dealings with him ran up over \$1,000.

Q. Another of the same? Mr. Sargent was also one of the best clients?—A. John Sargent was one of the best I had too. Well, Charlie came in and told me he had some land flooded and asked me if I would look after these for him. I there and then told Charlie that he could put it in himself if he wanted. He said he wanted me to do it and he asked the amount I would charge and I told him twenty per cent, and he signed the retainer and left it with me and I looked after the claim for him.

Q. And you sent in his claim?—A. I sent in Charlie Fowlds claim or Fowlds Company's claim.

Q. Some time before May?—A. Yes.

Q. Could you come any closer than that?—A. No, the papers will show themselves.

Q. He paid you \$15, I presume?—A. Charlie Fowlds you mean?

Q. Yes?—A. Charlie Fowlds has paid me nothing yet.

Q. He has to pay \$15?—A. We have running accounts, and I expect Charlie will allow me the commission.

Q. In that case it is not settled. In that case you have not destroyed the retainer?—A. I think I did.

Q. You are a lawyer?—A. Yes.

Q. And a politician to which combines all the shrewdness there is?—A. To my sorrow I was in politics.

Q. You mean to say that although this claim is not settled, you have destroyed the retainer?—A. Yes, I mean to tell you that.

Q. Can you tell us why?—A. Some where in January or February I looked upon it as settled Mr. Lennox.

Q. Because of counter accounts?—A. Counter accounts.

Q. You have not destroyed these accounts?—A. If Charlie Fowlds told me he would give me ten or fifteen per cent I would take his word for it.

Q. But you took his retainer?—A. Yes.

Q. You treated it as a matter of business?—A. Yes.

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Q. It is like getting a promissory note and destroying it before the transaction is adjusted?—A. You can put whatever construction you like on it.

Q. I am not putting any construction on it.—A. You can interpret it as you like. These are the facts.

Q. And you have a recollection of destroying it?—A. Yes.

Q. In that case you will be paid as in the other cases?—A. I suppose it will be allowed.

Q. And in that case on \$150 you made up your bill at \$31.60?—A. I do not know what it was. Yes, I see it is allowed \$26.10. I might point out that there was extra work in this. It appears that part of the land that was inspected and for which damages were allowed to Mr. Fowlds was owned by another person and that necessitated some extra work. I wrote the departement for instructions and carried out the instructions.

Q. Did you act for Mr. P. Crowley?—A. Yes.

Mr. CARVELL.—Where do you find him, on what page?

Mr. LENNOX.—I don't remember, about the same time, I think.

*By Mr. Carvell:*

Q. What town would he be in?—A. The town of Asphodel.

*By Mr. Lennox:*

Q. When was that claim put in?—A. It might have been in March.

Q. Of 1909?

Mr. CARVELL.—Just a moment, we have nothing of that here.

Mr. LENNOX.—How do you mean you have nothing?

Mr. CARVELL.—There is no payment that I can see.

*By Mr. Lennox:*

Q. He says he put it in. Have you been paid?—A. No.

Q. Has Crowley paid you anything?—A. As far as I recollect about \$50.

Q. Was that twenty per cent commission?—A. No, it was not twenty per cent.

Q. What was it?—A. About \$50. I do not know what the commission was.

Q. You know what the amount of his claim was?—A. I do not know from memory.

Q. And it was commission and retainer the same as the others?—A. Yes.

Q. You do not remember the rate of it?—A. No.

Q. Do you remember whether it was a large claim or not?—A. Yes, I think it was a large claim.

Mr. LENNOX.—Have you got that there, Mr. Bell?

Mr. BELL.—It is not on this file.

*By Mr. Lennox:*

Q. How did you happen to get \$50 in advance?—A. There is some mistake there. I think it was paid.

Mr. CARVELL.—He might have been paid since 31st March, 1909.

Mr. BELL.—Did he actually receive the cheque?

The WITNESS.—My recollection is that he did.

*By Mr. Lennox:*

Q. And so on receipt of the cheque he paid you?—A. I think it was.

Mr. CARVELL.—I am not going to object, but let us have a fair understanding. Are you coming down into the present financial year?

Mr. LENNOX.—No.

Mr. CARVELL.—That is what we are doing, and there is no telling where we may land if we go into this year.

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*By Mr. Lennox:*

Q. This is the transaction, this Crowley one, where he put in the claim in March I think he said?—A. I believe it would be thereabouts, it might be April.

Q. It would be a transaction of that financial year we are investigating although as yet it does not appear in the Auditor General's Report. Now John Breckenridge, junior, did you put in a claim for him?—A. I did.

Q. How much was that claim?—A. That was small, \$40 or \$50.

Q. \$60, was it not?—A. Yes.

Q. Did you get a retainer from him?—A. Yes.

Q. Of twenty per cent?—A. Yes.

Q. That claim has been paid?—A. Yes.

Q. And your claim has been paid?—A. I did not get twenty per cent though. He gave me \$5 or \$6.

Q. You took a retainer for twenty per cent and did not take it in full?—A. Did not take it in full.

Q. Didn't you want it in full?—A. No, we sat there and talked it over.

Q. How much did you get?—A. From \$5 to \$10. I got something, I don't deny it.

Q. \$5 to \$12?—A. Not \$12, \$5 to \$10.

Q. You did not put Breckenridge, senior, through did you?—A. Yes, I put it through.

Q. I have a memorandum showing that the costs allowed were \$28.09, and that they were put in at \$35.

Mr. BELL.—These figures are correct, I went over them with you yesterday.

*By Mr. Lennox:*

Q. That would be correct, probably?—A. I think so.

Q. And \$20 would be the ordinary fee and that is on a \$60 claim?—A. Yes.

Q. John Breckenridge, senior, did you put his claim in?—A. I did not file it. I put it through. On behalf of the government I investigated his title.

Q. Did you act for him in putting in his claim?—A. No.

Q. You only acted in the case of John Breckenridge for the government?—A. Yes.

Q. That was a claim of \$110. That was a claim of \$47.83?—A. A claim of what?

Q. I mean your bill of costs was \$47.83 and was taxed at \$38.83?—A. Yes.

Q. And his claim was \$110?—A. I do not know what it was. The papers will speak for themselves.

Q. Now, J. C. Lynch, that was a small claim of \$40. Did you put that claim in?—A. Yes.

Q. How did that begin, over the telephone?—A. Oh, no, I do not think Mr. Lynch has a telephone. He came to my office I think.

Q. You did not send him out a retainer or anything?—A. No.

Q. He signed a retainer did he?—A. Yes.

Q. For twenty per cent or more?—A. Yes.

Q. A very small claim?—A. Yes.

Q. It was twenty per cent anyhow?—A. Yes.

Q. That was the high water mark?—A. That is the maximum.

Q. Did he pay it?—A. I think so. Yes, he did.

Q. He paid it?—A. Yes.

Q. Then your bill in that case to the government was \$31.98 allowed at \$24.98?—A. I presume that is correct. It will speak for itself.

Q. When did you put Mr. Lynch's claim in?—A. I think it was in March or April.

Q. In March or April?—A. Yes.

Q. You had not reason to believe at that time that the government knew you were acting in putting in claims?—A. I did not know it at all.

Q. You had no reason to believe it?—A. No.



Q. And you put this in in March or April?—A. Yes.

Q. And M. F. Lynch. Is there an M. F. Lynch?—A. Michael Lynch, yes.

Q. And did you put his claim in?—A. Yes.

Q. How much was it?—A. About \$1,000 I think.

*By Mr. Carvell:*

Q. There is one here \$1,050, is that it?—A. Yes.

*By Mr. Lennox:*

Q. You put that claim in?—A. Yes.

Q. How did he come into contact with you?—A. He came to my office.

Q. That was the first connection with you?—A. Yes.

Q. And he engaged you?—A. Yes.

Q. And you took his retainer?—A. Yes.

Q. In writing or typewriting?—A. In handwriting.

Q. Written out by yourself personally?—A. Yes.

Q. May it have been in the form we have here?—A. In substance I suppose it was.

Q. In substance you think it was the same?—A. Yes.

Q. And he was to pay what commission?—A. Twenty per cent.

Q. That claim has been paid by the government so far as he is concerned?—A. Yes.

Q. A cheque was issued to you and him?—A. Yes.

Q. That was the way all the cheques were issued?—A. Yes.

Q. And you got out of that how much money?—A. About \$190, it was not twenty per cent.

Q. Your recollection is clear enough on that?—A. Yes.

Q. That is the amount you got?—A. Yes.

Q. And your taxed bill on that was \$20?—A. It must have been more than that, there were three lots.

Q. It was \$50.57?—A. I do not know. You can see. All right. There were three lots there.

Q. When did you get that claim?—A. Some time in December.

Q. What year?—A. 1908.

Q. That was before any of the others?—A. Yes, December, 1908.

Q. So before you forwarded any of the claims you have spoken of this morning down to this time, you had forwarded the claim of M. F. Lynch in the previous December?—A. Yes.

Q. To the Peterborough office?—A. Yes.

Q. On your own office paper, signed by yourself?—A. Yes.

Q. Telling him you were acting for him, putting in his claim?—A. Yes.

Q. Did you just make the claim in the letter?—A. Yes, in the one sheet of the letter.

Q. That was done in all cases?—A. All cases.

Q. So a person could ascertain the claim by reading your letter?—A. There might have been an exception but I do not think there was.

Q. So before you got any instructions in any of the cases we have dealt with here this morning, you had at least forwarded one claim, M. F. Lynch's, to the government in your own name?—A. Yes.

Q. 19th December it was reported on?—A. It was filed early in December.

Q. I mean reported on by Dickson?—A. Well, it would be some time before that I put in the claim.

Q. Some time before that you put in the claim?—A. Yes.

Q. And you were instructed in that case—look at your bill in the case of M. F. Lynch—you were instructed at least as early as 3rd February?—A. Apparently so.

Q. So that before any of these claims we have mentioned this morning, pre-

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vious to these being forwarded by you, you had instructions from the government to act in investigating the title of M. F. Lynch's property?—A. The dates will show you.

Q. That is the fact?—A. I presume it is. No, that came subsequent to that. I certainly had the Lynch claim.

Q. All these we have dealt with this morning have been subsequent?

Mr. CARVELL.—Oh, no.

WITNESS.—I do not know whether they were or not.

Mr. CARVELL.—Henry Humphries.

Mr. LENNOX.—I have not spoken of Henry Humphries. My learned friend has Henry Humphries on the brain.

*By Mr. Lennox:*

Q. As I understand it, Mr. Clarry, I think I am not mistaken. We have gone down through all those names and all those other names before this one of M. F. Lynch came in in January or February to you?—A. Yes.

Q. All came in either in January or subsequent to January?—A. The ones you have mentioned.

Q. Down to the time of M. F. Lynch's claim?—A. Some may have come in in the latter part of December.

Mr. CARVELL.—I think you will find that Stewart Graham's did.

Mr. LENNOX.—That was on 9th February.

Mr. CARVELL.—There was one from Mr. Warner before that.

Mr. LENNOX.—He said that was in January.

WITNESS.—That was before 23rd February, that is the question you were asking.

*By Mr. Lennox:*

Q. M. F. Lynch's claim was in the hands of the government in December, 1903?—A. I do not know whether it was or not.

Q. That is what you told me?—A. I did not tell you that, I told you I filed the claim with the superintendent.

Q. That is in the hands of the government?—A. If you want to consider it that way all right.

Q. You have put in in the early part of December, as you recollect it, M. F. Lynch's claim at Peterborough?—A. Yes.

Q. In the ordinary way in a letter on your letter paper signed by you?—A. Yes.

Q. What was done with that you do not know any more than that it resulted in a claim being recognized later on?—A. Yes.

Q. I was pointing out that that was before the claims dealt with this morning were initiated?—A. That appears undoubtedly.

Mr. GEORGE TAYLOR.—It is one o'clock, Mr. Chairman, and I move that we adjourn.

Mr. BARKER.—Several gentlemen have come here from a distance and they might be taken this afternoon. We have power to sit during the session of the House.

Mr. LENNOX.—I certainly think we ought to let these men give their evidence when they are here.

The CHAIRMAN.—It is moved by Mr. Daniel that the evidence taken respecting the payment of \$16,050.30 to the Maritime Dredging and Construction Company in connection with the dredging at St. John Harbour be reported. Is that motion granted?

Mr. CARVELL.—I think that is all right.

Motion carried.

The committee adjourned until the afternoon.

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HOUSE OF COMMONS,

COMMITTEE ROOM No. 32,

Friday, April 1, 1910.

The committee resumed at 2.30 p.m., Mr. Mackenzie in the chair.

The examination of Mr. L. F. Clarry, continued.

*By Mr. Lennox:*

Q. Referring again Mr. Clarry to the M. F. Lynch claim, I find that your instructions from the government were received as early as February, that is your first item was on the third of February?—A. Yes.

Q. And you continued to act for the government in that matter down to and including the 29th March?—A. I presume so.

Q. Just look at your bill, and see if that is right?—A. Yes (examines document), I presume that is correct.

Q. So that at the time you wrote the letter that was read here this morning of the 9th February, 1909, to Mr. Graham, at Westwood, I think it is, you were acting for the government in the claim of M. F. Lynch?—A. Yes.

Q. And were you acting in any other claims?—A. Not to my knowledge.

Q. And you have told us this morning and I am not going to press that point, it is a matter for inference for anybody, that although you sent your letters to the government, to the office of Mr. McLennan, the superintendent at Peterborough, from time to time, embodying those claims, letters written on your legal letter paper, signed by yourself, that you had no idea whether the government did or did not know that you were prosecuting the claims on behalf of any of the parties, with regard to whom they subsequently instructed you?—A. I have no knowledge whatever that the Justice Department or any other department of the government, had any idea—

Q. When you were presenting the claims, and they subsequently instructed you?—A. That I was acting for any of the claimants, whose title I subsequently investigated.

Q. In other words, when they instructed you, you have no reason to believe they knew you were acting for those claimants?—A. I have no reason to believe it.

Q. And you would not infer from the fact that you forwarded the letters and these instructions came back, apparently founded upon the claims you had put in?—A. I would'nt have any reason to.

Q. Not to infer it?—A. Not from that, no.

Q. I think it would be a reasonable inference?—A. I do not know that it would; I do not know the system in Peterborough, what they do there.

Q. Well, I will take an individual instance, if you like; for instance, when you settled with these various persons for a commission, you did so on the understanding that the claim that was allowed by the government was the claim that you put in?—A. I lost the trend of your question.

Q. You have said this morning that when you collected or received commission from these various parties who were mentioned this morning, you did so with the understanding that the claim allowed by the government was the claim you put in; do you know what I mean?—A. I do not grasp it.

Q. Well, I will take an individual instance, if you like; for instance, when you got from Adam Humphries \$160?—A. Yes.

Q. You got that understanding you had rendered service for it?—A. I had on his behalf.

Q. That you had put in a claim, and that the government had recognized the



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claim, and that, under the terms of your retainer, you were entitled to \$160?—A. Yes, I believed I was entitled to it for the services I had rendered.

Q. And you understood, when you got the instructions to search the title in Adam Humphries' case, that it was in consequence of the claim you had previously forwarded to the government?—A. Well, I knew it was.

Q. You inferred that?—A. I knew it was to search Humphries' title to the land.

Q. To the land you had made the claim for?—A. I had filed the claim.

Q. And you thought it was in pursuance of that?—A. Not necessarily.

Q. You inferred that?—A. I knew that Humphries was being paid for a claim in which I had previously acted for him.

Q. That you inferred, did you not?—A. In the government instructing me to investigate the title in connection with the claim I had put in?

Q. Isn't that true?—A. Yes, that may be true.

Q. Then, whether the government knew or not that you were acting for both sides, you knew you were acting for both sides?—A. I knew that I had previously filed the claim.

Q. You knew that you were acting for both sides?—A. No, there are no two sides at all, my relationship with that man ceased before I did anything for the government.

Q. I only want to get it confirmed by you that the government could see that in these transactions you were acting for both the government and the individual?—A. Not when the relationship existed between us.

Q. I didn't say anything about that, I haven't said that?—A. I am answering that way.

Q. As a matter of fact, take it another way, taking now the case of James A. Warner. You acted for him?—A. Yes.

Q. And in connection with ascertaining the state of the title to the Warner property, you acted for the government?—A. Yes.

Q. In reporting on the state of the title to the Warner property, you acted for the government?—A. Yes, some time subsequent to the relationship between Warner and me.

Q. I am not saying anything about that, the records show that?—A. Yes.

Q. Were there any other cases in which you acted for the claimant and for the government? In which you forwarded a retainer such as I read here this morning?—A. No, I think, Mr. Lennox, you have covered all of them.

Q. The only one I have got is the Graham case.—A. I beg pardon, I think that is all, Mr. Lennox.

Q. You think that is the only one sent out?—A. Yes.

Q. Had you any connection with the Charles Fox claim of \$720?—A. I had.

Q. Did you file or put in a claim for him?—A. No.

Q. Did you investigate the title?—A. I did.

Q. That is in the Township of Asphodel, is it? When was that claim put in—you didn't put in the claim, but when were you instructed to investigate the title?—A. I think it would be in March.

Q. I will help you as to that?—A. It may have been later.

Q. It appears to have been the 22nd of April. That is the time—A. That may be.

Q. And did you get any special compensation in that case beyond what the government paid you as your professional fee?—A. I got no compensation from Fox or any one else.

Q. You simply got your professional fees, or you haven't got them yet?—A. Yes.

Q. That is the only thing you got in that case?—A. That is all.

Q. How was that claim put in?—A. I know nothing about it beyond searching the title.

Q. Did you make any demand on Fox?—A. No, nor on anybody else.

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Q. You made an arrangement with the others?—A. Not a demand. I made an arrangement with some.

Q. Did you make any demand on Fox?—No.

Q. Or any claim on him for commission?—A. No, sir.

Q. Nor any suggestion to him to pay you a commission?—A. No, directly, indirectly or otherwise.

Q. In any way at all?—A. In no way at all.

Q. I think you said the cheques were made out jointly to the parties who owned the land and yourself? In some cases, to you individually by name, and in others to you as agent of a department of the government?—A. As agent of the Justice Department.

Q. Who suggested that?—A. I do not know anything about it.

Q. Is it that they are sometimes made out to you as agent of the Department of Justice, and sometimes to you by name with the name of the owner of the property joined in?—A. Yes.

Q. And it was not done at your suggestion in any shape or form?—A. I know nothing at all about it, or why it was done, I presume it was a matter of business with the department, as with any loan company or with any firm.

Q. You would not assume anything this morning with regard to a good many things, which seemed to be evidence, so it is hardly worth your while assuming now. Now we have talked of parties in the township of Asphodel and in the village of Hastings. Did you put in some claims for parties in Percy?—A. Yes.

Q. For Mr. Peter Brady?—A. Yes.

Q. His claim was \$64?—A. Yes.

Q. When was that claim made?—A. I think it would be some time in February.

Q. In February?—A. I think so, or it may have been in March.

Q. Did you take a retainer from him?—A. Yes.

Q. Did he come to your office, or how was it?—A. Yes, he came to my office.

Q. He initiated the transaction?—A. Yes.

Q. And it was in March?—A. I don't know. I think may be it was March; yes, I think it was.

Q. And at that time when Brady came to you, you had already been instructed in a number of cases to act for the government?—A. Well, let me see the date and I will say.

Q. 27th of March this is?—A. Yes.

Q. At that date?—A. Yes.

Q. When Brady gave you his claim you had already—I see by the records several of them are dated the 10th of February?—A. Yes.

Q. You had already been instructed by the Department of Justice to investigate several titles for the government?—A. Yes.

Q. And you were, as appears by the files, actually engaged in several of those cases at that time?—A. Yes.

Q. You didn't think that was inconsistent to act in those two different—we will say independent capacities if you like?—A. I didn't think it was inconsistent.

Q. You didn't instruct the department, I presume?—A. No.

Q. You naturally would infer they would know it from the fact that your letters had gone in?—A. No, I can't draw any inference from that at all.

Q. Well, we will examine the officials. And the retainer was, I suppose, practically in the same form as the retainer we have here now?—A. Yes, I presume it was.

Q. And it was for that rate, twenty per cent?—A. Yes.

Q. Twenty per cent?—A. Yes.

Q. And Mr. Brady's claim has been paid?—A. Pardon me, I see the date on this (referring to the file).

Q. On the 27th March you seem to have been instructed?—A. (after referring to file) Yes.

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Q. That claim has been paid by the government?—A. Yes.

Q. And you have been paid?—A. Yes.

Q. What amount please?—A. From Mr. Brady?

Q. Yes?—A. Well, in Mr. Brady's case his wife was a lunatic, and while she was not in an asylum or anything like that, she refused to join, and I had quite a number of consultations and one thing and another over it and acted on instructions from the department, and Mr. Brady told me at the time he was willing to allow me something for any special services, and I got from him——

Q. Beyond the retainer?—A. No. It was not mentioned beyond the retainer. I think I got from Mr. Brady \$10. What is the amount of his claim?

Q. His claim was a small one, it was only \$64?—A. I think I got \$10 from Mr. Brady.

*By Mr. Carvell:*

Q. You did not get the twenty per cent from him?—A. No.

*By Mr. Lennox:*

Q. Did you take the retainer for twenty per cent?—A. Yes.

Q. And you got the \$10. Then A. Cameron, did you act for him?—A. I did.

Q. "N. E. Q." What is that for?

Mr. CARVELL.—Northeast quarter of 11—11.

*By Mr. Lennox:*

Q. Yes, northeast quarter of 11—11. What time did you get Cameron's claim?—A. I think in April.

Q. In April?—A. Yes.

Q. And at that time you appear to have had a lot to investigate?—A. I was investigating a number of titles.

Q. A number of titles for the government. And you had at that time a good many claims in before the government for various individuals?—A. There were a number of claims in, yes.

Q. And you took a retainer in that case?—A. Yes.

Q. For how much?—A. Twenty per cent.

Q. Were you paid it?—A. Yes.

Q. How much?—A. I think I got \$4, \$4 or \$4.50.

Q. It ought to have been five ought it not?—A. Well I didn't get it.

Q. Now that claim was put in when?—A. I think it was in April. Yes in April, I think.

Q. Excuse me, when did you say you thought the Brady claim was put in?—A. I think I said March or April.

Q. It seems to have been in before the 10th of February?—A. Oh, well, I was mistaken.

Q. It seems to have been before the 10th February?—A. The records will show that.

Q. You were paid, I suppose, the usual twenty per cent in the Cameron case?—A. Yes, I presume so.

Q. And you were allowed commission?—A. Yes.

Q. James C. Dickey; did you present that claim?—A. Yes.

Q. That seems to have been \$136?—A. Yes.

Q. You took a retainer?—A. Yes.

Q. In the usual form?—A. In the usual form.

Q. And you have been paid?—A. Yes.

Q. The twenty per cent?—A. Yes.

Q. Do you remember when that claim was?—A. I think it was in February or March.



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Q. February or March?—A. What page is that Mr. Lennox?

Q. It is on page W—24, at the bottom of the page?—A. Yes.

M. CARVELL.—It does not seem to be in the papers here, Mr. Lennox.

Mr. LENNOX.—This is in Percy you know.

The WITNESS.—I think it was in February, Mr. Lennox. I don't remember exactly.

*By Mr. Lennox:*

Q. And there is Patrick English?—A. Yes.

Q. You put in his claim?—A. Yes.

Q. Did you get a retainer in that claim?—A. No.

Q. You did not get a retainer in his case?—A. No.

Q. Has he been paid?—A. I got—he simply asked me to put in a claim.

Q. To put in his claim?—A. Yes.

Q. You did not take a retainer?—A. Did not take a retainer.

Q. Were you paid for putting in his claim?—A. No.

Q. Have you a claim for that?—A. No.

Q. You were not charging for that?—A. No.

Q. Do you know when you put the claim in?—A. Some time in February, I think.

Q. Some time in February?

Mr. LENNOX.—Have you got Dickey's claim there, Mr. Carvell?

The WITNESS.—I cannot tell you. I think it was some time in February Mr. Dickey's claim.

Q. The English claim you think was in February too?—A. I think so.

Q. Yes, probably it was; the formal claim is made out in March?—A. Yes.

Q. The 10th March—well, the formal claim is on the 30th March, but the certificate of the engineer is the 10th March?—A. Yes.

Q. Then, Francis McGuire, did you act for him?—A. Yes.

Q. In all these cases, you also subsequently acted for the government, in all these cases I have mentioned?—A. I searched the titles.

Q. Just as you have told us already?—A. Yes.

Q. Francis McGuire, you have a retainer from him?—A. Yes.

Q. Was it paid?—A. It was paid. In searching his title, there was something in connection with his father's will which had to be straightened up. I straightened it up, and gave him some copies of his father's will and told him to let it go and call it square on that.

Q. It was squared up, and you tore up the retainer?—A. Yes.

Q. Now, about when was that?—A. It was somewhere about the same time, in February or March.

Q. At the time you put in McGuire's claim, you had received instructions in several cases from the government?—A. Yes.

Q. James C. Dickey's claim was before the government as early as the 10th February, at all events the formal claim was in then, I do not see the certificate of the engineer at this stage—there seem to be two valuations, and then this other one, this is McGuire's. I suppose, you received instructions on the 22nd March, presumably?—A. I presume that is correct.

Q. That is probably correct, and the claim I think you said was probably put in in February?—A. Yes, I think so.

Q. Yes, it was in by the 10th February, and the valuator made his report on the claim on the 13th February. Then did you act for Mary A. Scriver?—A. Yes.

Q. That was a small claim, and you took a retainer?—A. Yes.

Q. She came to your office?—A. Yes.

Q. For twenty per cent?—A. Yes.

Q. That was paid?—A. Yes.

Q. And for Thomas Williamson?—A. Yes.

Q. You put in his claim?—A. Yes.

Q. That was \$48?—A. Yes.

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Q. Took a retainer?—A. Yes.

Q. And that was paid?—A. Yes.

Q. Do you know the date of the Scriver claim, when it was put in?—A. I think it would be March or—yes, March, I think.

Q. 26th March?—A. Yes.

Q. It was on pretty well in March when you put it in?—A. Yes.

Q. So that you had most of the claims in, this was about the latest date we have come to?—A. Yes, that is the latest.

Q. So you put all the claims we have spoken of this morning in before that one?—A. Yes.

Q. You had instructions, beginning on the 3rd February?—A. Yes, about that time.

Q. And following that on down from the government?—A. Instructions?

Q. In the various cases we have mentioned?—A. Yes.

*By Mr. Carvell:*

Q. Williamson's was put in on the 23rd March?—A. Yes.

*By Mr. Lennox:*

Q. This Scriver claim, I think you said Scriver, paid you a retainer, and Williamson paid you his retainer?—A. Yes.

Q. And Williamson's was put in?—A. Williamson's was not 20 per cent, I think he only paid me \$3 or \$4.

Q. I am afraid there is no bill in this. That is all you had in Percy Township, I think?—A. Yes.

Q. Then you had some in Ottonabee?—A. I had some two or three in Ottonabee.

MR. LENNOX.—We hadn't moved for any return, but if it is not objectionable, I will take those matters up now.

MR. CARVEL.—I have no objection.

*By Mr. Lennox:*

Q. You had some in Otonabee?—A. Yes.

Q. I will just mention the names, and you can tell me at once if you had those claims. R. J. Adamson?—A. I don't know it.

Q. Patrick Bolin?—A. Don't know it. I might say to put you right in that, that I never acted—

Q. You might just tell me those you acted for in that township?—A. I never acted for the government in that township, never investigated any titles.

Q. You did not?—A. None at all. I put in two or three claims from there.

Q. Tell me which those claims were that you put in?—A. There was a man by the name of John Faux?

Q. Yes, John Faux, you put in his claim?—A. Yes.

Q. Did he undertake to pay you anything?—A. Yes.

Q. He did?—A. Yes.

Q. He has not paid you?—A. No.

Q. He has refused?—A. Yes.

Q. You got a retainer from him?—A. Yes.

Q. What was the date of that retainer?—A. Early in January.

Q. Early in January?—A. Yes.

Q. What time did you forward this claim?—A. About the time I got it, early in January.

Q. Do you remember how much his claim was?—A. I think it was \$400.

Q. \$400?—A. Yes.

Q. Did he sign the retainer?—A. Yes.

Q. Why didn't he pay it?—A. I don't know. He refused to pay it.

Q. He refused to pay it?—A. Yes.

Q. And you haven't sued him?—A. No.

Q. That is just the way the matter stands?—A. That is the way the matter stands.

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Q. Did you tear up that retainer?—A. I don't think I did.

Q. It would hardly be fair to let him know if you did, anyway that is the way the matter stands?—A. Yes.

Q. That was for 20 per cent?—A. Yes.

Q. He has been paid by the government?—A. I don't know.

Q. He would be paid through you?—A. No, he would not be paid through me.

Q. Who investigated the title in that case?—A. I think it was firm of lawyers in Peterborough.

Q. What is the name?—A. O'Connel & Gordon, I think.

Q. Was there a man named Elmhurst in Otonabee?—A. No, I did not act for him.

Q. You did not act for him?—A. No.

Q. Did you endeavour, in any way, to get him to put his business in your hands?—A. He came to my office once.

Q. That is Elmhurst?—A. Yes, when I was out, and he spoke about it to my stenographer, who told me about it afterwards, that he wanted me to put in his claim.

Q. I don't know whether my instructions are correct or not, but it is only fair to tell you, so that you can anticipate, in case he should be called, but what I am instructed is, that you solicited, and endeavoured to get him to put his claim in your hands on two or three occasions?—A. He came to my office on the first occasion without my knowledge in any shape, manner, or form, when I was busy or wasn't in, and I knew nothing at all about it until I was told by my stenographer that he had been in.

Q. Well, is there any more?—A. Well, when I heard he was in I had a man working for me and told him to go up and see if he would come down, and the man went there and he told me that he had put in a claim himself in Peterborough, and I have heard nothing since.

Q. What do you mean when you say 'you had a man working for you'?—A. I had a man working around my house, choring and one thing and another.

Q. And you sent him up to see this man?—A. Yes.

Q. And still he did not come?—A. He did not come and I don't know any more about him in any shape, manner or form.

Q. There is nothing more than what you have told me?—A. Nothing more.

Q. Is there any one else in that township?—A. Yes, there was a man by the name of Foley, the two Foley brothers.

Q. Yes, there is E. C. Foley and there is James C. Foley?—A. Well, I presume these are the men.

Q. There are just two of them as far as I can see?—A. Yes.

Q. And you put in their claim?—A. Yes.

Q. Claims for two different parties?—A. Yes.

Q. Now the first one appears to be a claim for \$380?—A. Yes, I see, here it is.

Mr. CARVELL.—Just a moment. Did this witness afterwards search any of these titles?—A. No, I did not. I don't know anything about them.

Mr. CARVELL.—Do you think it is fair to go into a man's private affairs?

The WITNESS.—It has no connection with the government in any manner or form.

Mr. LENNOX.—It is important in this way; it shows how much reason the government had to know that this gentleman was acting on behalf of private individuals in putting in claims, and it goes to the question of whether the government should have employed him in acting for them as well.

*By Mr. Lennox:*

Q. You put in a claim for Mr. E. C. Foley?—A. Yes.

Q. When was that?—A. Oh, now Mr. Lennox, I can't tell you exactly, sometime in



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January. You are asking me a lot of questions now—it was some time in January or February, I think it was in January.

Q. And you took retainers from these two parties?—A. Yes.

Q. And have been paid for them?—A. I don't know.

Q. You don't know?—A. No.

Q. Do you know whether you have their retainers or not?—A. Well, they may be in existence.

Q. Well have you been paid?—A. No, I beg your pardon. Have I been paid?

Q. Have the retainers been paid to you?—A. No, sir, nothing at all.

Q. Not yet?—A. No.

Q. And you don't know whether the parties have been paid by the government or not?—A. I don't know anything about it.

Q. Now are there any others in Otonabee?—A. No, that is all, Mr. Lennox, to my recollection.

Q. In Alnwick you put in some claims for parties there?—A. I put in a few in Alnwick, yes.

Q. Will you give the names, can you remember the names?—A. I think I can tell you.

Q. Will you read them over?—A. There was Thomas McCracken.

Q. Yes?—A. George Brown, Nixon Timlin.

Q. Wetherup?—A. Wetherup, yes.

Q. J. Wetherup?—A. Yes.

Q. Sherwin?—A. Yes.

Q. Austin Sherwin?—R. Yes.

Q. Andrew Smith?—A. No.

Q. William H. Johnson?—A. Yes.

Q. William O. Harris?—A. No.

Q. Curtis. John E. Curtis?—A. No.

Q. Margaret Burisson?—A. No.

Q. Those are all, I think I have mentioned the names?—A. Yes.

Q. Did you get retainers from each of these people?—A. Yes.

Q. You got retainers from them all?—A. Yes.

Q. Twenty per cent?—A. No, it was—there were some of them fifteen.

Q. Some of them fifteen and some of them twenty?—A. Yes.

Q. And they have all been paid, have they?—A. I don't know.

Q. I mean as far as you are concerned?—A. My part of it? No, they have not.

Q. Your retainers have not been paid?—A. No, they have not.

Q. In any of these cases?—A. Austin Sherwin paid me and—

Q. Take Austin Sherwin by himself?—A. Yes.

Q. Austin Sherwin's was a \$40,000 claim?—A. Yes.

Q. And you took a retainer in that?—A. Yes.

Q. And it has been paid?—A. Yes.

Q. Did you have a claim for Robert Sherwin?—A. Robert Sherwin, no. There was one Sherwin. I had Austin's and may have had Robert's, but I have only been paid the two. That is Robert McCracken, or not Robert, what is the name there?

Mr. CARVELL.—Thomas.

The WITNESS.—Thomas McCracken, yes.

*By Mr. Lennox:*

Q. Thomas McCracken, you have been paid his claim?—A. Yes.

Q. And only these two?—A. Only these two.

Q. Why have the others not been paid?—A. They were not paid and I have not done anything about it.

Q. Have you torn up the retainers?—A. No.

Q. You have the retainers?—A. I think I can find the retainers.

Q. Did you ever demand any of them?—A. I did in some of them, yes.

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Q. And some of them refused to pay?—A. Yes.

Q. On what ground?—A. Well, they said that is was too much money.

Q. Too much money?—A. Yes.

Q. And still these are all, I think, very small claims aren't they?—A. Yes.

Q. They have refused to pay and you have not followed it up?—A. Yes. You are aware that I was not acting for—did not search any of these titles.

Q. I was going to ask you. You did not search any of them?—A. I didn't.

Q. In none of these cases at all?—A. None of them whatever.

Q. I don't know the lay of the land very well. Are there any other townships?—A. None.

Q. Are these all?—A. This is all I had anything to do with.

Q. Now, I have heard some one speaking of Mr. Henry Humphries.—A. Are you ready for him?

Q. I was going to ask you about Henry Humphries. Now, did you have a retainer from Henry Humphries?—A. I did.

Q. For 15 per cent?—A. Yes.

Q. On the same general form?—A. No, that is the first I drew.

Q. It was the first retainer you drew?—A. Yes, and I wrote it out in longhand; but, of course, the agreement was to give me 15 per cent.

Q. And was it dependent upon your getting recovery?—A. I do not know whether there was a rider to that effect or not; I do not know; I do not know that there was, but there may have been.

Q. I meant was there also a specific clause that in case you did not recover you should not charge him anything?—A. As I have said, it may have been.

Q. It may have been the same general trend as the retainer we have had here?—A. It may have been; it is destroyed.

Q. Is that retainer in existence?—A. No, sir, it is not.

Q. Have you destroyed it or given it up?—A. I destroyed it in Humphries' presence in my office.

Q. Did you ever say anything to Humphries to the effect that he would be dependent in any way on getting his claim paid on having you employed?—A. Never in any shape or form, directly or indirectly.

Q. You never intimated to him that you were the only source or channel through which he could hope for success?—A. Never in any shape, manner or form, directly or indirectly.

Q. I need not put it to you in any of the different forms, you appreciate what I am trying to get at?—A. Never in any shape, manner or form.

Q. Did you ever say to anybody else in your office that if Humphries had been willing to pay you 15 per cent, he would have got his claim through?—A. No, I never did.

Q. Or that he did not get his claim through because he did not give you 15 per cent?—A. No, I never did.

Q. I can't give you the name of the person, but it was related to me that there was such a person. Did you say that in any form?—A. No, I never did.

Q. From what I have been instructed, Mr. Clarry, I am not instructed as to the name?—A. Yes.

Q. You said to some gentleman in your office either that Humphries would have got his claim through if he had been willing to give you 15 per cent, or that he did not get it through because he did not give you 15 per cent?—A. Your information is absolutely false, I say that most unequivocally, I deny that I said that in any shape, manner or form.

Q. What was the difficulty between you and Mr. Humphries? Give it briefly, if it can be given briefly.—A. Well, I don't want to give you a long rehash of what took place.

Mr. CARVELL.—We want it, give it.—A. Well, the Humphries matter started—

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The CHAIRMAN.—Has it anything to do with this inquiry?

Mr. LENNOX.—I am not at all particular whether we go into it at all, but my learned friend (Mr. Carvell) asked for it, and it has been referred to several times.

Mr. CARVELL.—Humphries is the man that is making the trouble.

Mr. LENNOX.—Humphries is not the man that made all the trouble.—A. There is another one.

The CHAIRMAN.—If they fall out, and have some private trouble, I am not at all sure it is necessary to have it gone into here unless it is of some importance.

*By Mr. Lennox:*

Q. My learned friend here suggests there was some difficulty about the title?—

A. About a portion of the property, about 37 acres.

Q. How many acres of claim was put in—the whole of it?—A. There are 200 acres on the whole lot.

Q. And it appears that he had parted with 37 acres?—A. Yes.

Q. To some relative, I believe?—A. I think it was to his son, Joseph Humphries.

Q. And I think he subsequently regained the title back again?—A. He told me he had, and requested me to write to Ottawa, to know whether they would allow Mr. Aylesworth's valuation, and I did so; some eight or ten years ago Mr. Aylesworth had made a valuation, and Humphries made a settlement with him last fall.

Q. As I understand it, Mr. Humphries was not satisfied to accept the amount the government was willing to pay?—A. Yes.

Q. You understand that?—A. I understand that thoroughly.

Q. Is not that substantially the whole difficulty?—A. Well, I think Mr. Humphries blames me for being responsible for having his claim knocked down.

Q. Does he?—A. I think so.

Q. I do not know as to that; as I said, I had dinner with him, and he did not tell me that.

*By Mr. Carvell:*

Q. We have his letter here to that effect.—Has he written to that effect?

Mr. LENNOX.—Well, let us have the letter.

Mr. CARVELL.—There are two letters here.

Mr. LENNOX.—Now this is the letter, February 1, 1910, (reads):—

‘DEAR SIR,—Would you kindly let me know if the governments—’

The CHAIRMAN.—To whom is that letter addressed, Mr. Lennox?

Mr. LENNOX.—It was not addressed to anybody. To whom is this supposed to have come to, Mr. Bell?

Mr. BELL.—It was addressed to the Department of Railways and Canals.

Mr. LENNOX (reads):

‘DEAR SIR,—Would you kindly let me know if the government's members on drowned lands claims intend to pay my claim according to late Wm. Aylesworth's valuation, 14 years ago, as I am in the same position that I was then. I owned the whole lot, and I own the whole lot now, No. 2, con. 3, Asphodel, 100 acres. 40 acres drowned, damages \$20 dollars per acre. That was Mr. Aylesworth's award; I think L. F. Clarry is blocking my claim, as I would not give him 15 per cent on the whole amount, and you were paying him to look up the title, besides I had no business with him, and don't want any with him, as I think there has been a lot of money paid by the government for drowned lands claims, where there was no drowned land at all from the waters of the River Trent, or Rice lake, which will be proved to you yet. Hoping this is satisfactory, I remain,

Yours truly,

(Sgd.) H. HUMPHRIES,  
Hastings P.O.’



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Then there was this letter in reply (reads):—

‘FEBRUARY 5, 1910.

### TRENT CANAL.

Claimant—H. HUMPHRIES.

DEAR SIR,—Referring to your communication of the 1st inst., you ask when your claim for compensation for damages to your property, caused by the waters of the Trent canal is to be settled. I have to say that the department does not see its way clear to make any increase in the valuation of the property in question, and, should you persist in your refusal to accept the same, you must find your recourse in the courts.

I am, sir, your obedient servant,

(Sgd.) L. K. JONES,

*Secretary.*

H. HUMPHRIES, Esq.,  
Hastings, Ont.

Q. Now you have told me, have you, Mr. Clarry, of all the claims that you know of that you put in?—A. Yes, sir, to the best of my recollection, I have told you everything.

Q. And you have given me the dates as far as you can?—A. Yes, as far as I can, I have done it.

Q. And you say as far as your books and records are concerned, they are packed up?—A. It would be a matter of almost impossibility to get them.

Q. It would be any how a matter of very great difficulty?—A. Very great difficulty to get at them.

Q. And we can probably get those dates from the departments here?—A. Oh, I have no doubt you can.

Q. That is on matters that have been the subject of correspondence, claims you put in and soon?—A. Yes.

Q. And you say that as far as you can recall the only letter you sent out to the character that I read here this morning—A. Yes.

Q. Was a letter to the Grahams?—A. That is all as far as I can recall, Mr. Lennox.

Mr. LENNOX.—That is all I have to ask.

*By Mr. Barker:*

Q. Now, Mr. Clarry, I won't keep you very long. I would like a little explanation as to this letter sent by you to the brother of Mr. Graham. That letter is dated 9th February, 1909. You say in it (reads):

‘Inclosed you will find retainer which I will ask you to kindly have your brother fill in and sign in your presence. Please return it with Mr. Dickson.’

What did you mean by that sentence: ‘Please return it with Mr. Dickson?’—A. I meant this: Mr. Dickson, as I stated, was going up to inspect the land of every land-owner there, and if Mr. Graham had consented and had signed the retainer, he would have had Mr. Dickson to go right ahead and inspect the land and appraise the damages, or assess the damages for whatever might be sustained, and he would seal up the note and send it back with Mr. Dickson.

Q. But the letter does not say that?—A. I didn't say it, no.

Q. You simply use the words: ‘Please then return it with Mr. Dickson?’—A. Yes.

Q. I suppose that meant by the hands of Mr. Dickson?—A. Well, I did expect it that way. I thought it would come back in a sealed envelope.

Q. You made no request that this was to be inclosed, or—A. No, I did not.

Q. Or anything done to prevent Mr. Graham handing the document to Mr. Dickson?—A. He may not have been there.

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Q. I suppose at that time Mr. Dickson knew you were acting for various people in this matter?—A. I don't know that he did.

Q. Do you think Mr. Dickson didn't know at that time that you were acting for these people?—A. I don't know that he did.

*By Mr. Lennox:*

Q. For instance, G. A. L. Humphries?—A. Well he came to me to know where he lived, yes.

Q. You had put in a claim?—A. I had put in a claim and filed it previously.

*By Mr. Barker:*

Q. At all events that is your explanation?—A. Yes.

Q. That Mr. Dickson would be returning to your office?—A. Yes.

Q. And would bring back that retainer to you?—A. Yes.

Q. And you did not say anything that you objected to his seeing the retainer or anything else?—A. I did not mention it in the letter, no.

Q. Or otherwise?—A. I beg your pardon?

Q. Or otherwise?—A. I never discussed it with him.

Q. In that letter you say: 'Have him hang out for 12 or 15 acres.' That is Mr. Graham was to hang out for 12 or 15 acres and so on?—A. Yes.

Q. 'And make the settlement with Mr. Dickson, and I will be perfectly satisfied?—A. Yes.

Q. Satisfied?—A. Yes.

Q. At that time, that is the 9th of February, you were already acting for the government in some of this group of claims?—A. Well, according to the dates furnished by Mr. Lennox there was one claim.

Q. One claim?—A. Yes.

Q. Still you had within a week been instructed by the government to examine the title in one of these claims?—A. That is true.

Q. At the time you wrote this letter, you had already been instructed by the government to act for them in some of these claims?—A. In one of those claims, yes.

Q. And you did act on that claim?—A. Yes.

Q. What claim was that, can you recall?—A. I think it was Lynch.

Q. Now, you say, as I understand it, Mr. Clarry, that if your principal in any of these cases failed to make good title for the government you would get no commission from him?—A. Well the money would not be paid.

Q. Then you would not get anything?—A. I did not get anything.

Q. You would have no claim against your principal?—A. Yes, that is correct.

Q. I think that is expressly stated?—A. No, it is expressly stated 'if the damages were not awarded.' I think it says so there, doesn't it?

Q. 'In case no damages are awarded to me I am to pay nothing?'—A. Yes.

Q. Well that is what I meant: you were to get nothing in the shape of a commission for your services?—A. No.

Q. Unless the claim was granted by the government?—A. To be sure.

Q. And the title passed?—A. Yes.

Q. Now, you were not paid your commission until after the title was actually passed. I understand that that was the practice?—A. Oh, yes.

Q. Were you not therefore interested in the deal to the extent of your commission?—A. Not necessarily. I don't think I was necessarily.

Q. You were not to be paid unless the deal went through?—A. Unless the money was awarded.

Q. Therefore I put it to you that you were interested in the deal to the extent of one-fifth in some cases?—A. Well, I was to get the commission, there was no doubt of that. Yes.

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Q. If the title, I repeat again, was not passed, you would not get your twenty per cent commission?—A. I would not.

Q. Now, when you were employed by the government to examine titles on these various deals did you tell them what your interest was?—A. No, I did not.

Q. You did not?—A. No.

Q. You said nothing to them?—A. No.

Q. You never said you were to get a commission if the titles were passed?—A. No.

Q. As far as you know, did any one on the part of the government know what your position was?—A. No.

Q. What your interest was?—A. No.

Q. Did Mr. Dickson know?—A. Not that I know of.

Q. Well, I would say from that letter you were not at all afraid of his knowing it?—A. Well, I never told him, he didn't know it from me.

Q. Are you aware in any manner that Mr. Dickson knew?—A. No.

Q. That you were getting a commission from any of these people?—A. I am not aware.

Q. He, of course, was seeing these people and talking to the farmers?—A. Yes.

Q. And you were not trying to conceal it from him?—A. I don't know that Mr. Dickson knew anything at all about any arrangements that I had with my clients.

Q. He did not know it as a fact?—A. No, not from me.

Q. Mr. Dickson then, as I understand, did not know when he recommended the government to pay a certain sum of money, that the man he was dealing with was really willing to take eighty per cent of the money?—A. I don't know that he did, not from me.

Q. What was Mr. Dickson?—A. Well, what do you mean.

Q. What was his business there in this matter, what was his position?—A. I presume he was a valuator.

Q. He was the man who was to estimate the amount of compensation to be given?—A. Yes.

Q. And I presume he alone was doing that?—A. He alone so far as I know.

Q. You at all events knew that a man that Mr. Dickson was recommending a certain payment should be given to was really willing to take eighty per cent of that?—A. Well, I knew that, yes, that I was to get my fees out of it.

Q. Did you at any time when you were acting for the government, they being your clients, communicate the fact to them that these people would take eighty per cent of what Mr. Dickson recommended?—A. No, I did not.

Q. You knew he was recommending certain sums and that the people were willing to take less?—A. I knew what he was—I knew, yes, what he had been awarding them.

Q. And you did not communicate that to your clients, the government? In the Warner case, I think it was, the compensation was to be \$330 nominally, but with the twenty per cent off it would only be \$264?—A. Yes.

Q. I suppose that is all that Warner got?—A. That is all that Warner got.

Q. And you got \$66 and \$25.86 for legal services?—A. Well, I haven't got it yet.

Q. We will take it that you are entitled to get it and will get it?—A. The account is filed there.

Q. That is your portion of it?—A. Yes.

Q. So that out of that claim of \$320, you received something like \$91 or \$92?—A. Well, the figures will show for themselves.

Mr. CARVELL.—How did you put that? Out of the claim of \$330 he received what?

Mr. BARKER.—In respect of the claim of \$330 that Mr. Warner had, the solicitor acting for the title got in all, including his commission, \$91.86.

Mr. CARVELL.—Not from Warner.

Mr. BARKER.—No, I do not say so, he got it in respect of that claim.



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Mr. CARVELL.—You are not putting that fairly.

Mr. BARKER.—I am not misrepresenting. I put it just as it is.

Mr. CARVELL.—You mean that includes the fees paid by the Justice Department for searching the titles?

Mr. BARKER.—I am putting it quite clearly that way. Now, Mr. Clarry, will you tell us roughly in a general way, I don't want it down to dollars or tens of dollars, what was the gross amount of commission that you received, or are intitled yet to receive out of this group of claims?—A. The amount that I have received?

Q. The total amount that you have received, and that you are to receive, what was the commission?

Mr. CARVELL.—Separate them.

A. I can't, the figures are here.

*By Mr. Barker:*

Q. I don't care whether it is within a hundred dollars, give it roughly.—A. It may have been \$400 or \$500.

Q. In addition to the costs, fees for service?—A. Yes.

Q. Roughly, what would that be?—A. That may have been \$400.

Q. And what would the costs be?—A. I said \$400—I don't know.

Mr. CARVELL.—You are all wrong.

A. I don't know, I am approximating the thing.

Mr. CARVELL.—I saw the account this morning, and it is \$240, now as taxed, somewhere about that, I have forgotten the exact amount.

A. Yes, that may be what it is.

*By Mr. Barker:*

Q. Did you ever have any conversation with Mr. Dickson as to any of those claims for compensation?—A. As to the amounts allowed?

Q. Yes.—A. Yes, in a general way we have mentioned it.

Q. Did you have discussion as to what was fair?—A. Yes, I have.

Q. Did he ask your opinion?—A. No.

Q. Did you volunteer it?—A. No.

Q. Did you give it?—A. No.

Q. What was the nature of your conversation?—A. In the case of Charlie Fowlds, Mr. Dickson came down, and I telephoned Mr. Fowlds who was sick in bed, and he asked me if I could show Mr. Dickson where the damaged land was. I did so, and Mr. Dickson came down to my office, and I asked Mr. Fowlds over the telephone how much he wanted; he replied \$300. I said that Mr. Dickson was prepared to take \$150, and I asked him further if he could possibly come down; he told me that he could not, and I do not think he did get down for several days. However, he wound up by saying that he would leave that part of it to me, and that, if I was satisfied that was all that could be obtained, he would be satisfied. I rung him up, and said that Mr. Dickson stated all that he could give was \$150, and he said he was satisfied.

Q. And Mr. Dickson agreed to that?—A. Yes, with Mr. Fowlds' consent.

Q. Were you entitled to commission on that?—A. Yes.

Q. Did Mr. Dickson know it?—A. He did not know it, not from me.

Q. You didn't tell him?—A. No, I didn't tell him.

Q. But he knew you were acting for the government?—A. I don't know whether he did or not.

Q. He didn't know it?—A. I don't know whether he did or not.

*By Mr. Lennox:*

Q. Why did he come to you?—A. Because he knew that I was filing claims on behalf of clients.

Q. He knew you were, and the government didn't?—A. Yes.

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*By Mr. Barker:*

Q. You mean to say that in all these transactions, fifteen I think you say there were?—A. Yes.

Q. That Mr. Dickson did not learn, at least you know nothing of his having learned in any way, that you were concerned for any of these people?—A. Not for any fees or commissions at all.

Q. Nor percentages—did he know in any respect whatever, did anybody know so far as you were aware, was Mr. Dickson informed that you were acting in any shape or form?—A. I don't, but when Mr. Dickson came to me I presume that he had some advice that I had filed claims.

Q. And he would come to see you on behalf of the people you were acting for?—A. Some he did, and some he didn't.

Q. Then he must have known?—A. Some he did, and some he didn't.

Q. Then he must have known that you were acting for some of these claimants?—A. I presume he did.

Q. And you can't tell us whether he did or did not know the nature of your retainers?—A. No, I can't tell you.

Q. You don't know that he didn't know?—A. I don't know that he did or that he did not, he did not know it from me; I know that.

*By Mr. Lennox:*

Q. Was Mr. Dickson in the office when you dictated this Graham letter to your stenographer?—A. He was not.

Q. He was not?—A. No, he was not.

Q. So that he did not hear it dictated?—A. No, sir, he did not.

Q. You are quite sure about that?—A. Yes, I am sure of it.

*By Mr. Carvell:*

Q. Did you have any communication or understanding with the minister, the deputy minister, or any official of the Railway Department, by which you would be able to adjust those claims any different to what anybody else would?—A. None whatever.

Q. Did you ever have any talk with the minister, the deputy minister, or anybody in the department, in that connection?—A. No, I never did.

Q. Did you have any arrangement with the superintendent of the canals, with Mr. McLennan, the superintendent of the Trent canal, or with any of his officials, by which you would have any success or consideration beyond what anybody else would have?—A. Absolutely not.

Q. Then, if that be true, it was a purely business transaction between you and the different parties?—A. It was.

Q. Who was the first party to come to you on this question?—A. Henry Humphries.

Q. Do you know how he came to you?—A. Well, I do——

Q. Is it confidential? Can you tell us why?—A. Well, I don't know that it is; he came to me early in the fall, I don't suppose there is any secret about it; it was before the general election in 1908, and told me he wanted to get his claim settled. I told him to let it stand until after the elections, and to come and see me then. When he came in, he showed me some correspondence he had with Mr. Findlay, who was then the member for East Peterborough, who had been trying to do something, and he told me that Mr. Findlay wasn't doing anything, and wanted me to take it up. After the election he came in several times, and bothered me about it. I told him I would take hold of the claim if he would pay me for the work what I wanted; he would not pay me fees, but he agreed to pay 15 per cent.

Q. Did you discuss fees with him?—A. Yes, and he would not pay it; he said that he had been seeking for years and had been down to Ottawa to try and get it settled, and he was sick of it.

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Q. He wouldn't pay you any fees, but he would give you a commission?—A. Yes.

Q. And at that time you drew up the retainer?—A. Yes.

Q. How long a time had these claims against the department been in existence, to your knowledge?—A. Previous to Mr. Humphries?

Q. Yes.—A. Mr. Humphries is the first person from whom I got the slightest information about the matter.

Q. Did you or did you not know that a vote had been passed by parliament?—A. I wasn't aware of it.

Q. You were not?—A. No.

Q. He gave you the first information?—A. He gave me the first information.

Q. From information subsequently received when there had been communications between some official of the department and Mr. Humphries. When did the correspondence commence?—A. I don't understand.

Q. From the information you subsequently received what was the earliest date that some official of the department had taken the question of damages up with Mr. Humphries?—A. From information I have subsequently received, it would be shortly after Mr. Humphries gave me his retainer.

Q. Well, but were there not negotiations away back for years and years?—A. Yes, I discovered that, as I say.

Q. When was that?—A. About ten years ago.

Q. With whom were those negotiations had?—A. With the late W. R. Aylesworth.

Q. Who is he?—A. Mr. Dickson's predecessor as valuator.

Q. You have no knowledge I suppose of what took place between those two gentlemen?—A. excepting that I subsequently saw an offer signed by Mr. Humphries, and recommended by Mr. Aylesworth.

Q. When Mr. Humphries came to you did he have any documents signed by Mr. Aylesworth?—A. No.

Q. Did he state to you what he was going to take?—A. Yes, he wanted \$40 per acre for what he had drowned.

Q. Did he tell you how many acres there were?—A. I think he said about 40.

Q. You use the word 'drowned,' does that have any special significance up in that section of the country?—A. Not so far as I know.

Q. Does it mean that land is entirely covered with water the year round or covered during a portion of the year?—A. Well, it would be during a portion of the year.

*By Mr. Barker:*

Q. Rendered non-productive?—A. Yes.

Mr. CARVELL.—I want to know, because I find the word 'drowned' here, and I also find the word 'submerged.'

Mr. BARKER.—Drowned so as not to produce.

The WITNESS.—Henry makes a distinction, I believe.

Mr. CARVELL.—I understand they draw a distinction that land which is covered permanently is called drowned land. The other is some other term.

Mr. LENNOX.—Most of it is drowned. That is a term they seem to use most frequently.

The WITNESS.—That may be latterly.

*By Mr. Carvell:*

Q. Now, after you filed this claim by Mr. Humphries, did you have any further correspondence with the department or any officials?—A. Yes.

Q. Many letters?—A. I wrote the department a number of letters, yes.

Q. To whom?—A. To the superintendent, and I wrote to the Department of Railways and Canals.

Q. And you got answers from them?—A. Yes.



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Q. Well, finally the matter was handed to you as agent of the Department of Justice, you say?—A. To search Mr. Humphries' title.

Q. Do you know what the *modus operandi* is in having one of these claims put through and getting the money back? If you do, I wish you would tell us?—A. Having one of these claims put through?

Q. Yes, from the time the claim is filed till the cheque is paid?—A. Well, the valuator visits the property. Do you want to start from there?

Q. Yes.—A. And he makes a settlement there. He finds out how much the claimant wants, I believe. Well, I don't know of my own knowledge whoever it is handed in to, I presume to the superintendent—and I know nothing at all about it until I get a letter from the—

Q. Do you know what happens after that?—A. I know nothing about it at all.

Q. Do you know whether it goes to the Department of Railways and Canals or to the Justice Department?—A. From knowledge subsequently acquired, I believe it goes to the Department of Railways and Canals.

Q. And then from there to where?—A. To the Department of Justice.

Q. When you receive instructions to search titles you receive them from whom?—A. The Department of Justice every time.

Q. Now, you received instructions to search Mr. Henry Humphries' title?—A. Yes.

Q. Did you do so?—A. Yes.

Q. What did you find?—A. I found that Mr. Humphries, when he made his offer of settlement, had certified that he owned the whole of lot No. 2, in the 4th concession, township of Asphodel, whereas he had sold between the time of Mr. Aylesworth's valuation and the time of Mr. Aylesworth's award; he had sold 37 acres. I pointed it out to him, and he told me that of the 37 acres none was drowned.

Q. Yes?—A. That all the drowned land was on the part then owned by him. I told him I could not accept it that way, and would have to get instructions from the Department of Justice. He told me he would make a declaration to that effect, and I represented that to the Justice Department. I told them that Mr. Humphries said there was no drowned land on the 37 acres and he would make a declaration to that effect, and I asked them for instructions. About a month later I got instructions to the effect that they had caused a re-inspection to be made, and that of the 37 acres claimed or that had been sold by Mr. Humphries and of which he said none was damaged, 8 acres had been found damaged by the valuator, and the valuator had also reported that the late Mr. Aylesworth allowed for 20 acres of marsh, which the government was then allowing nothing for, and the result was that Mr. Humphries' claim was reduced by 28 acres.

Q. Or down to—?—A. From \$800 to \$240.

Q. I mean in acreage?—A. From 40 acres down to 12, that is reduced by 28.

Q. Did Mr. Dickson appraise the land at the same rate per acre as Mr. Aylesworth?—A. According to the same rate and allowed him the \$20 per acre.

Q. Was this changed condition of affairs brought about by the result of your investigation?—A. Well, of course I found his title defective and made the report.

Q. That started it and it was brought about as a result?—A. It was written there in the office, I dictated the letter to the Department of Justice pointing out the discovery.

Q. Did he accept the \$240?—A. He did not. When I got the report that the value was reduced to \$240 he told me to ask the department if they would allow Mr. Aylesworth's valuation, then he bought back the 37 acres.

Q. Did you do that?—A. I did. And they said to offer—I got instructions from the department to offer Mr. Humphries \$240, and if he refused to accept it to return the papers.

Q. Did you return them?—A. I did not. I spoke to Mr. Humphries about it again, and shortly after that I was in Western Canada and I remained there for

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about a month. When I came back Mr. Humphries was away, and he remained away for about two months, and the matter was not taken up again until September, and I opened up negotiations again or tried to have them opened up, but they were firm and said they could not touch it again, to try to get him to take the \$240, and if he did not he would be open to his remedies.

Q. Then he has not, so far as you know, accepted the \$240?—A. He has not accepted the \$240.

Q. Do you know of anything else he has done?—A. Well, he blames me for the trouble.

Mr. LENNOX.—And has communicated with the enemy?

The WITNESS.—And has communicated with the enemy.

*By Mr. Carvell:*

Q. And has brought Mr. Lennox there?—A. Yes, I understand they were driving about the country.

Mr. LENNOX.—That is not correct. I was out that way.

*By Mr. Carvell:*

Q. And he is trying now to force the department to pay him the balance of this money?—A. He wants to get the \$800.

Q. When did you and he have a settlement? It seems you had some sort of settlement and you tore up his retainer?—A. After Mr. Humphries had given me this retainer shortly afterwards he came into the office and said he was not going to bother about it at all and was going to let it drop.

Q. Yes?—A. He was going to let the matter drop, that he had wasted a lot of money on it.

Q. Yes?—A. And spent a lot of time and was not going to waste any more. I told him to give me a chance to see if I could get it through. It went along for a couple of months or more and he came in and demanded it, demanded the retainer. I said: 'All right, Mr. Humphries, we will destroy this,' and I tore it up in his presence. He asked me if he owed me anything, and I said he owed me nothing, I had no claim on him whatever, and the matter dropped at that as far as he and I were concerned.

Q. What had he done in the meantime?—A. Well, I think he had gone down to Belleville and seen the late W. R. Aylesworth, when he was sick, and made a settlement of \$800, the old valuation.

Q. There are papers in the department to show that?—A. Yes.

Q. He did succeed in getting the matter settled with Mr. Aylesworth and came back and called off the retainer with you?—A. Called off the retainer and said he did not want to pay any commission at all.

Q. Then after that did you write any letters to the department in his behalf?—A. I don't know whether I wrote any letters after destroying the retainer, but I did write trying to get the thing adjusted.

Mr. CARVELL.—We have the original file here which we will put in evidence showing all the correspondence. I suppose you have seen it, Mr. Lennox.

Mr. LENNOX.—I have just run over it hastily. I haven't read the correspondence, but I know there is correspondence.

Mr. CARVELL.—Is it all here (exhibiting file).

Mr. BARKER.—Is all that correspondence on the Humphries matter?

Mr. CARVELL.—That is all on the Humphries, yes.

*By Mr. Carvell:*

Q. Was the searching of the title, so far as you were instructed to do it by the department, carried on in all cases, in the same way as in the case of Mr. Humphries?—A. Absolutely no.

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Q. If you found anything that in your opinion would be a cloud upon the title, did you report it?—A. I did—in several cases.

Q. Were there any titles certified by you that were not correct?—A. Absolutely no.

Q. You are willing to stand by the titles?—A. Absolutely.

Q. You found clouds on several titles, but they were all cleaned up?—A. They were all cleaned up, I carried out the instructions of the department.

Q. Did you have anything to do, under your retainer from the department other than the searching of these titles?—A. Nothing whatever.

Q. Did you in any way, directly or indirectly, have any instructions from the department towards the adjusting of the amount of any of these claims?—A. None whatever.

Q. That was done entirely without your knowledge or consent?—A. Yes, that was done without any instructions or anything on my part.

Q. And you were paid by the department simply for searching the titles?—A. Yes.

Q. And you now swear you did search the titles, and that every title is perfect to the best of your knowledge?—A. I would stake my reputation on the correctness of the titles.

Q. And where there were difficulties you cleared them up?—A. I had several difficulties, but they were all cleared up.

*By Mr. Lennox:*

Q. And those difficulties will appear in the correspondence?—A. They will appear in the correspondence, I presume they will.

*By Mr. Carvell:*

Q. And Henry Humphries was one of the difficulties which you encountered?—A. Yes.

Q. Are you aware that an order in council has been passed authorizing the payment of \$800 to Henry Humphries?—A. I saw it amongst the papers.

Mr. CARVELL.—I think, Mr. Chairman, that perhaps I will offer this order in council in evidence.

Mr. CHAIRMAN.—I have no objection, anything you like put in regarding Humphries. Put in the whole file if you like.

Mr. CARVELL.—I will put in the whole file.

Mr. CHAIRMAN.—It is not necessary to print it, is it?

Mr. CARVELL.—No, I will ask to have the order in council put in.

*Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General, on the 30th January, 1909.*

On a Memorandum dated 27th January, 1909, from the Minister of Railways and Canals, representing that the Government Commissioners for valuing damages caused by the waters of the Trent Canal have furnished agreements taken for the settlement of a number of claims, which settlements they recommend; these agreements are as follows:—

Name.	Location.	Amount.
Henry Humphries.. . . .	Lot No. 2, 4th con. tp. Asphodel.. . .	\$800
Adam Andrew Humphries.. . . .	Block A, con. 1; block A, con. 2, and lot No. 1, con. 2, tp. Asphodel.. . .	911
George W. Bennett.. . . .	Island No. 56, Stony lake, tp. Burleigh..	150
John Faux.. . . .	Broken lots 12 and 13, con. 2, tp. Otonabee.. . . .	500
Johanna Phalen.. . . .	S. $\frac{1}{2}$ lot 16, con. 8, tp. Ennismore.. . .	30
David Heaslip.. . . .	Lot No. 34, con. 9, tp. Hamilton.. . .	675
Alexander Reid.. . . .	Lot No. 3, con. 3, and lot 3, con. 7, tp. Burleigh.. . . .	160



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Richard Corkery.. . . .	N. part of lot No. 19, con. 4, and broken lot No. 19, con. 5, tp. South Monaghan	150
William S. Rutherford.....	N. $\frac{3}{4}$ of lot No. 6, con. 3, tp. South Monaghan.....	220
James A. Warner.. . . .	W. $\frac{1}{2}$ of lot No. 6, con. 3, tp. Asphodel..	330

The minister recommends that authority be given for the settlement of the claims in question accordingly, on receipt of proper Deeds or Release, to be obtained, as usual, through the Department of Justice.

The committee submit the same for approval.

(Signed) F. K. BENNETTS,  
*Asst. Clerk of the Privy Council.*

*By Mr. Carvell:*

Q. By an order in council passed on the 27th January, 1909, it was ordered that \$800 be paid to Henry Humphries. That was before you received instructions from the department to pass upon his title?—A. Oh, yes.

Q. Now, if you had certified to Humphries' title as being correct, would he have received the \$800?—A. Undoubtedly.

Q. And because you certified it as not being correct, he did not receive the money?—A. Well, it was the cause of it indirectly.

Q. It was because of it?—A. Yes, I could not pass it.

Q. Now, I want to go back a little. My learned friend (Mr. Lennox) has a letter here, and the form of retainer, which evidently were sent out by our office to Mr. Stuart Graham?—A. Yes.

Q. Did you act for Mr. Graham in the statement of this claim against the government?—A. I didn't.

Q. Did you act for the government in passing the title in that case?—A. I didn't.

Q. You had nothing actually to do with the Graham case?—A. Nothing whatever to do with the Graham case.

Q. Except that you wrote a letter as detailed in the evidence here?—A. Yes, it solicits.

Q. This letter was given by you to Mr. Dickson to deliver to whom?—A. To Andrew Graham.

Q. Did he so deliver it?—A. I do not know of my own knowledge, only what I heard him say the other day that he delivered it to an elderly lady at the home—

Q. That is Andrew Graham's home?—A. Or at his mother's home.

Q. He lives with his mother?—A. No, but he lives at some short distance from his mother.

Q. If a letter were delivered to his mother would it be delivered at his home?—A. No, it would be his mother's home. I guess Andrew Graham would be down there.

Q. Was this delivered at the home of Andrew Graham?—A. Yes, at his mother's home near him.

Q. Would any of these parties for whom you have acted, and who paid you your retainer, find any fault with you?—A. Not one of them, I haven't heard any complaint in any manner, shape or form.

Q. Do all these gentlemen happen to be of one political stripe?—A. At the time I did not know their political leanings, but I have found since what their leanings are.

Q. And are there both Liberals and Tories among them?—A. Yes.

Q. And both have paid your commission, and they found no fault?—A. Yes, that is correct.

Q. Did you solicit their business from any one of those people?—A. No, sir.

Q. Did every one of them come to you in the ordinary course of business?—A. Yes, every one of them.

Q. Do you know why they came to you?—A. Well, I was the only solicitor around there, and I had been doing work for years for them.

Q. You are the only solicitor there?—A. Yes, I am the only solicitor there.

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Q. Did you hold out to any of those people the statement or the hope, or the idea, that you could succeed in getting a settlement of their claims because of any relations you might have with any official of the department?—A. No, sir, I never did, or hinted it to any of them.

Q. Then you reiterate, according to that, that every man of them came to you as an ordinary matter of business, and agreed to pay you voluntarily what he did agree to pay you?—A. I know of no other reason why he did come.

Q. Have you had any experience? You have stated, I think, that on one previous occasion you did business with the government and received something like \$21?—A. Yes.

Q. That was in searching a title at Colborne?—A. Yes.

Q. In that case was the cheque made out jointly to you and the owner of the land?—A. No, it proved abortive, the government did not buy the land, there was a restrictive covenant in it.

Q. Do you know, what is the custom or the rule, I might almost say the invariable custom of the department in issuing a cheque?—A. I do not know what it is, but I presume they make it to the solicitor, and the claimants.

Q. That has always been the case in your business?—A. Yes, sir, it has.

Q. And do you know the object of that?—A. Well, I suppose as a matter of precaution, I don't know.

Q. No explanation was given to you?—A. No, I can't give any explanation, I don't know why they did it.

Q. How many claims have been adjusted up to the present time by the department in connection with this matter?—A. I heard there were about 600 or 700.

Q. And out of those 600 or 700 claims how many have you had?—A. About 15, roughly speaking.

Q. Do you know of any other solicitors that have had anything to do with those claims?—A. There are solicitors in Peterborough, Cobourg, Lindsay, who were investigating titles in large numbers; O'Connell & Gordon, of Peterborough. Roger Bennet & Godwin, I understand Mr. McLaughlin's firm in Lindsay, and also Stewart & O'Connell in Lindsay, and there are some firms in Cobourg too investigating them.

Q. Do you know of any other attorneys, other than yourself, that have filed claims?—A. Well, I was told quite recently that 40 per cent of the claims, that have gone through have been filed by lawyers there.

Q. Do you know who they would be?—A. I heard the names mentioned of lawyers in Port Hope, Cobourg, Lakefield, Lindsay, Millbrook and Peterborough.

Q. Then it is a very general business in the profession?—A. Yes.

Q. Filing these claims, and searching the titles?—A. Yes.

Q. Do you know the names of any of the persons in that vicinity that have visited these claimants?—A. Well, yes, I think Col. H. A. Ward of Port Hope.

MR. LENNOX.—Do you think this is relevant? I am not going to object to it.

MR. CARVELL.—Yes I do. I will tell you why: while it may not appear so on the surface, it is really an attack on the professional integrity of this gentleman and I want to show he has simply been doing what other persons have been doing in that neighbourhood.

MR. LENNOX.—It does not probably make any difference what my view is, but I think there is nothing wrong in a lawyer filing a claim. It is undoubtedly wrong if that lawyer is also employed by the government to investigate titles.

MR. CARVELL.—That is an attack on this gentleman.

MR. LENNOX.—If these other men to whom you refer were employed in the same way it is wrong.

MR. CARVELL.—We will find out.

MR. BARKER.—I do not know that you ought to bring their names in unless you are able to prove that.

MR. LENNOX.—I don't think you will find any Tory lawyers getting anything from the government.

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The WITNESS.—I don't know. I have not been told about them, Mr. Lennox.

*By Mr. Carvell:*

Q. Do you know the names of any other?—A. Well, Mr. Carvell, I don't want to voluntarily mention other solicitors, but if you want to know, I can tell what I do know about it.

Q. You don't think there is anything improper in this?—A. Absolutely not.

Mr. BARKER.—If the cases are parallel by all means bring them out.

*By Mr. Carvell:*

Q. Do you think there is anything improper in a lawyer, no matter what his politics are, filing claims?—A. I can't see it.

Mr. LENNOX.—I could give you a list if you like of men who have become very prominent in that sense.

The WITNESS.—In the Conservative party?

Mr. LENNOX.—In the Liberal ranks and with liberal rewards.

Mr. BARKER.—The only point here is as to a professional man acting, if he did act, on both sides.

*By Mr. Carvell:*

Q. Now, do you know Mr. Clarry, whether there was any difference of opinion as to the valuation of any of these lands by different officials?—A. Yes, I do.

Q. What was it?—A. Well from knowledge acquired since these charges were made in the House I know of ten or fifteen farmers in the Township of Asphodel, including the assessor and clerk of the township, Squire Breckenridge, and others, who have given evidence and sworn that the valuations are all reasonable, and also the valuation and award made by an Ontario Land Surveyor.

Mr. LENNOX.—We are not saying anything about valuation, we have not said a word about it. In the next place, Mr. Chairman, this is what he hears as being sworn evidence given somewhere. Is that not what you said Mr. Clarry?

The WITNESS.—Yes.

Mr. LENNOX.—We cannot go into that, I submit.

The WITNESS.—Yes, but you connected Mr. Dickson and me with buying claims.

Mr. LENNOX.—I have not made any attack upon Mr. Dickson, whatever.

The WITNESS.—You connected him and me with buying claims when there were no claims bought at all.

Mr. LENNOX.—No.

The WITNESS.—In the House.

Mr. LENNOX.—I did not connect Mr. Dickson in any shape or form in the House with buying any claims. All I did was to read your letters.

The WITNESS.—Yes, but you connected our names as allied together.

Mr. LENNOX.—You have probably mistaken my speech for somebody else's.

The WITNESS.—It was said there that Dickson and I were in collusion and boosting up claims when there was no boosting at all.

Mr. LENNOX.—You will not find that in my speech.

*By Mr. Carvell:*

Q. Did you have anything to do with the adjusting of any of the claims or arranging the amounts with Mr. Dickson?—A. No, sir, I had not.

Q. Was there any arrangement between you and Mr. Dickson in any way, shape or form as to the adjustment of the claims which you were transacting?—A. No.

Q. Excepting this case of Mr. Fowlds?—A. Yes, I think Mr. Fowlds was the only one.

Q. Was there any agreement between you and Mr. Dickson that any of these parties should receive a greater amount by reason of your being interested in them?—A. None, whatever.



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Q. Was there any agreement between you and Mr. Dickson that they should receive any amount by reason of your being interested?—A. None whatever, absolutely none.

Q. Mr. Dickson did know—he must have known—that you were filing some of these claims?—A. Well, as I told Mr. Lennox here, I presume he knew that from the instructions there in the superintendent's office. I don't know that he did.

Q. Did Mr. Dickson tell you at any time before you received the instructions from the Department of Justice the amounts at which he had assessed any of these claims?—A. Did he tell me? In some cases he told me the amount he had allowed when I saw him afterwards.

Q. That is before the claims came to you from the Department of Justice?—A. Yes, in one or two cases he told me what he had done.

Q. Do you know whether there was any other surveyor placed upon any of these claims?—A. Yes.

Q. Who was it?—A. A man by the name of Fitzgerald.

Q. Do you know who he is?—A. Yes, he is an Ontario or Dominion land surveyor, I don't know which.

Q. I don't want to ask you anything about this man unless you have it of your own knowledge. Do you know that he was there?—A. Of my own knowledge? Yes, I know that he was there.

Mr. CARVELL.—Well, now, Mr. Graham, I have a return from the department which I wish to offer in evidence.

Mr. LENNOX.—On what point?

Mr. CARVELL.—On the point of the amount of damages and how they were ascertained.

Mr. LENNOX.—We have not gone into the question of damages?

The WITNESS.—Yes, you have.

Mr. CARVELL.—I am going into it now, that is what I want to get at.

Mr. LENNOX.—We have no case in reference to damages here to-day.

Mr. CARVELL.—Yes, we have.

Mr. LENNOX.—You need not argue it very long. I want to call my honourable friend's attention to the fact that we have not any such case here to-day.

Mr. CARVELL.—I want to call my honourable friend's attention to the fact that he is investigating amounts paid to C. M. Birdsall, John Breckenridge, Matthew Breckenridge, Thomas Davidson, A. L. Elford and a lot more, the amounts that were paid to these people, I want to show the manner in which those amounts were arrived at.

Mr. LENNOX.—I want to call your attention to this point; when I have done so my learned friend can take any course he likes. I have confined myself so far to-day purely to the branch of the case in reference to Mr. Clarry and I have not opened up any case in reference to valuation. At the same time if my learned friend persists in this I am not going to particularly object to it because I have witness here I can call with reference to that matter. I want to make this point: we have at present before the committee the one concise point as regards Mr. Clarry's connection with certain commissions and we have not opened up any question either to the propriety of Mr. Dickson's conduct or as to the valuations on any lands. Incidentally it has been mentioned how much has been paid, but we have made no point of that at all. If my learned friend thinks it well to open up another branch of it, the scope of the examination will thereby be enlarged as regards subsequent witnesses.

The CHAIRMAN.—It is a question of going into the uniformity of valuations, is it not? I think it is a very wise proceeding.

Mr. CARVELL.—This is an entirely new doctrine that my honourable friend is laying down. I suppose that if a matter is opened up in this committee members sitting on our side of the House have a right to look into it as well as my honourable friend.

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Mr. LENNOX.—I am not objecting yet.

Mr. CARVELL.—Because my honourable friend did not open up the question of valuation I am not thereby precluded from doing so.

Mr. LENNOX.—I understood it was the desire to let the witness go away to-day.

Mr. CARVELL.—Certainly.

Mr. LENNOX.—I intend to bring up sooner or later the question of valuation. I understood Mr. Clarry wanted to get away as soon as possible and all that has been opened up is his connection with this matter, nothing with regard to Mr. Dickson at all.

Mr. CARVELL.—Is it going to be dropped?

Mr. LENNOX.—I don't think I ought to be asked that question, we are not going to drop anything that we think is in the public interest to be investigated, but we are dropping it for the present, and we are doing that in order to let the witnesses away if possible; my learned friend can take whatever course he likes. As to confining ourselves to this one point, if he goes into that point, it will necessitate my going into it with subsequent witnesses; I am not objecting to him going into it if he likes.

The CHAIRMAN.—There is no contention yet as far as I know that better values were given in the cases in which this witness was concerned than in other cases.

*By Mr. Carvell:*

Q. Do you know anything about the question of the valuation placed on these lands by Mr. Fitzgerald, as compared with Mr. Dickson's valuation?—A. Well, personally I do not know anything about these drowned lands, whether they are drowned half the year or otherwise; I saw Mr. Fitzgerald's valuation, and compared it with Mr. Dickson's valuation—

The CHAIRMAN.—I don't think you had better go into that.—A. Personally, Mr. Carvell, I don't know whether any of these lands are drowned or not. Of my own knowledge, I can't give you much information.

The CHAIRMAN.—That is a tremendously wide question to go into, that of the valuation of the damages, the lands may lie close together, but there may be some damaged much more than others.

Discussion followed.

Examination of witness resumed.

*By Mr. Carvell:*

Q. Were you subpoenaed to attend before this committee?—A. I was not, at least I am not aware of it if I was.

Q. Have you received any letter or notice from the clerk or from any official from this committee?—A. I'll tell you, I was in Toronto yesterday, and my sister rung me up, stating that there was a letter from Ottawa informing me that I was wanted here at 11 o'clock to-day. I did not know what it was; I had secured my ticket with the object of leaving for the northwest and had intended leaving Toronto for the west last night, but instead of doing so, I came here.

Q. And it is still your intention to go west as soon as you can? You came here because you understood you were wanted here, although you had not received the summons?—A. Yes, I came here because I understood I was wanted here to-day.

Q. And you came without a subpoena?—A. Yes, I came without a subpoena, and it was a mere chance that I received the telephone message. Did you ask me, Mr. Carvell, about the Humphries matter, did I make a denial of the general charge of making a demand upon him which was mentioned in the House.

Q. What do you say as to that?—A. I deny that I in any manner, shape or form, either directly or indirectly, demanded from any person any permission for having his claim settled in connection with any drowned land.

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Q. You have said that in every case these people came to you as a mere matter of business, as you were the only attorney in the place?—A. Yes.

*By Mr. Lennox:*

Q. Now, as the question of valuation has been opened up, and as the question of the value of drowned lands has been referred to, we might just as well ascertain while you are here whether you know anything about that personally. Do you know whether there are any drowned lands or not?—A. Personally I did not know any one of the claimant's lands. I did not know at the time; subsequently or quite recently in talking to some of them they have told me the location of their properties.

Q. They told you what their view of the matter is?—A. No, where their property is located, that conversation took place within the last few days.

Q. You do not know whether those lands are flooded or not?—A. I do not know whether they are flooded or not.

Q. It is a difficult question always to ascertain?—A. I don't know the location of them at all.

Q. Did you know, as a matter of fact, whether any of the engineers ever took the levels of these lands?—A. I know nothing at all about it.

Q. Or whether there is green timber standing upon these lands or not?—A. I know nothing at all about it.

Q. So that the question of flooding?—A. I don't know what it is.

Q. And that kind of thing, or the damage caused, you know nothing about it?—A. I know nothing about it.

Q. You simply know your own professional branch of the case, I understand?—A. That is all.

Q. And in the case of Henry Humphries, one reason of the reduction of the claim was that it was ascertained by Mr. Dickson that 8 out of the 40 acres of the claim were included in the 37 acres he sold?—A. Yes.

Q. That cut off 8 acres?—A. Yes.

Q. The other 20 acres were cut off because Mr. Dickson—upon examination of the land, I presume—found that they were marsh, and the government is not now paying for marsh?—A. That is correct.

Q. That is the way it was?—A. Yes.

Q. That is what resulted in a reduction of the claim?—A. Yes.

Q. Only a question or two more. After the difficulty had arisen as to Mr. Humphries' land, the matter was kept in hand, as I understand you, for the purpose of seeing if the claim could be got through?—A. Yes.

Q. For the purpose of seeing if matters could be adjusted?—A. Yes.

Q. And you went to the west, and subsequently Mr. Humphries went to the west? Is that correct?—A. Yes, that is correct.

Q. Will you tell me as to the dates of this?—A. I left for the west, I think, the 4th of July.

Q. What year?—A. 1909.

Q. Yes, last year?—A. And when I got back I was not aware that Mr. Humphries had gone, and I wrote him a letter to call. His son-in-law called and told me that Mr. Humphries was out west, and he did not get back, if I recollect rightly, until some time in September.

Q. So that, at all events, down to September this matter was still in your hands, is that right?—A. Yes, the papers were there.

Q. Tentatively, say, anyhow?—A. Tentatively, say, anyhow.

Q. And it had been put into your hands, when? I don't think I asked you that?—A. It would be some time, I think, about the latter part of February.

Q. Of what year?—A. 1909.

Q. Then, at that time you had instructions from the government to act in some claims?—A. Oh, yes.



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Q. And from the latter part of February down to what time did you say in the fall?—A. Oh, I presume, September.

Q. Down to September or so——?—A. Oh, yes, right on.

Q. This matter of Humphries' was still in your hands?—A. Yes.

Witness discharged.

Mr. CHARLES FOWLDS, Hastings, called, sworn and examined:

*By Mr. Lennox:*

Q. Mr. Fowlds, you live in Hastings?—A. I do.

Q. I think you are a member of the firm of Fowlds & Co.?—A. I am.

Q. And your firm had a claim for compensation?—A. They had.

Q. Against the government?—A. Yes.

Q. For flooding?—A. No, drowning.

Q. What do you understand by drowned lands?—A. Drowned land, according to my idea, is land that is always under water, being drowned.

Q. Perpetually under water?—A. Yes.

Q. That is what you understand?—A. That is what I understand.

Q. And that is the condition of your lands?—A. It is. At least a good part of it, possibly three-fourths of the land that we received compensation for is under water.

Q. Perpetually?—A. Perpetually.

Q. That is what you understand by drowned lands?—A. Yes.

Q. And do you know anything as to the difference between that and submerged lands?—A. Well, I would call submerged lands drowned lands.

Q. I used the word 'flooded' and you corrected me.—A. Well flooded——

Q. There is a difference between flooded and drowned lands?—A. I think so.

Q. What is it?—A. Flooded lands are lands flooded only by the freshets of the spring.

Q. I see. That is very likely correct. Well, then you had only a small claim?—A. Yes.

Q. You thought you were entitled to \$300?—A. I did.

Q. And you put that claim into the hands of Mr.——A. Mr. Clarry.

Q. And you got compensation, \$150?—A. Yes.

Q. You gave Mr. Clarry a retainer, did you?—A. I did.

Q. The retainer that was spoken of this morning?—A. Twenty per cent.

Q. Twenty per cent?—A. Yes.

Q. So that, when you settled with the government, you realized that you would only get \$150, less 20 per cent?—A. Yes.

Q. Mr. Clarry says, I think he says, that he has torn up the retainer in your case, may be he wasn't quite sure about it, and he says you haven't settled yet, you and he?—A. No, our bills are not settled.

Q. They are not adjusted yet?—A. No.

Q. But you recognize that you are to pay him?—A. I have already credited him on his account.

Q. You have already credited him on his account with \$15?—A. \$30, of course the account as yet isn't adjusted.

Q. So that all you got out of this transaction is \$120?—A. Yes, of course, he handed the cheque over to me.

Q. And he had a running account with you of some kind?—A. Yes.

Q. Now, have you lived in Hastings a good many years?—A. All my life practically.

Q. Fowlds & Company carry on a milling business, don't they?—A. Yes.

Q. Do you know the territory that is alleged to be flooded, as far as we have investigated here?—A. Parts of it.

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Q. Parts of it?—A. Yes.

Q. Have you seen a map prepared by the engineer for the district of all the flooded lands?—A. I have seen a map of part of the flooded lands.

Q. I mean of the lands that were said by the engineer to be drowned lands?—A. Yes.

Q. You have seen a map of that kind?—A. Of a certain section of it.

Q. I don't mean that it covered the whole country, but it was complete as far as it went, I suppose?—A. Yes.

Q. Does it embrace the lands along the Ouse river?—A. It doesn't go as far west.

Q. Does it embrace the land from Hastings towards the west?—A. It doesn't go that far east.

Q. Where was it then?—A. The estate of the late Thomas Humphries, if that is the map you refer to.

Q. I refer to a map I understood you had seen, I can't describe it any more than that; you have seen the map, and can tell me where I could get it?—A. Henry Humphries showed me a map, this is some time ago, when he was executor for his brother's estate.

Q. That is near his own place?—A. Yes, and he had this map made by Mr. Cameron of Peterborough, I think that was the name, and it showed the west half of lot—I can't just say what lot it was now.

Q. Is this the only map, the one you are speaking of now, you have seen?—A. Yes.

Q. I do not think that would be of very much use, anyhow, now?—A. Mr. Humphries has it now, I expect he has.

Q. That is not what I understood it was, from what was told me I understood there was a general map covering a considerable territory; do you know of a map of that kind?—A. Well, you can get one of those maps here in the department.

Q. I thought you had some information that none of us had. Do you know John Sargent's lot, that is John Sargent that we were speaking of to-day?—A. Yes.

Q. Did you get timber off that land?—A. Yes.

Q. That is, the firm of Fowlds & Co., did?—A. It was J. W. Fowlds & Co. then.

Q. When was that?—A. It was in the winter of 1900 and 1901.

Q. Is that the land said to be flooded?—A. Part of it.

Q. Is there any change in the water level since then on the Trent?—A. No, except that caused by, possibly one year the water would be a little higher in the spring.

Q. On account of freshets? But there is no change in the dams?—A. No.

Q. That timber you took off in 1900 and 1901, what kind of timber was it, was it pine, hardwood or what?—A. It was elm, cedar, ash and hemlock.

Q. Was it sawmill timber?—A. Yes, sawlogs.

Q. Was it green or dry?—A. Green.

Q. What do you understand by that as regards drowned lands?—A. Well, as a rule, timber won't grow on drowned land.

Q. Did you ever know of any exception to the rule that timber won't grow on drowned land?—A. No.

Q. Did you ever know of green timber being cut on lands that were drowned?—A. Lands that were perpetually drowned? No, I can't say that I have.

Q. So that this cost you, this little claim, cost you \$30?—A. Yes.

*By Mr. Carvell:*

Q. Have you any fault to find with Mr. Clarry for charging you \$30?—A. No, I can't say that I have.

Q. You made a trade with him?—A. I went and told him to look after the deal.

Q. And you agreed to pay whatever he was paid?—A. I signed a contract to that effect.

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Q. And you were willing to pay it?—A. He got it, there is no use crying over spilt milk.

Q. Now you say that the whole of Mr. Sargent's land, or rather do you say that none of Mr. Sargent's land was drowned?—A. No, I do not say that.

Q. All you say is that you cut timber there nine years ago?—A. Yes.

Q. And that some of his land was not drowned?—A. Some of his land wasn't drowned; that land I cut the timber off I do not consider was drowned.

Q. And do you know how much of his land was paid for as being damaged by drowning, or you don't know that?—A. I don't know.

Q. How much land would be in Mr. Sargent's farm, how much in his wood lot?—A. I couldn't very well tell you that.

Q. Would it be more than thirty acres?—A. Yes, I would judge so.

Q. Would there be fifty or sixty acres?—A. No, I don't think there would be.

Q. Would any of the lands next the river be cleared lands?—A. Yes.

Q. And some of that would be damaged some of that cleared land, would it?—A. It might.

Q. And you do not know for what amount of land he was paid by the department?—A. No.

*By Mr. Lennox:*

Q. You don't know whether he would be paid for 60 acres, do you?—A. No, I don't.

Q. Do you understand that the land you cut timber off was embraced in the land he was paid for?—A. Well, I have been told so.

Q. You merely understand that?—A. Yes.

*By Mr. Carvell:*

Q. Do you know that of your own knowledge?—A. No.

Q. I just want to ask you one question more, Mr. Fowlds; I would like to know, Mr. Fowlds, you are fairly well acquainted with the river Trent, are you?—A. Yes, fairly well.

Q. Are you acquainted with the upper reaches of the river and its branches?—A. Pretty well, yes.

Q. Do you know whether anything has been done during the last three or four years that conserves the water or that makes the water higher in Hastings later in the summer than it was previously?—A. No, that is the trouble—

Q. Do you know of any changes in the dams for preserving the water up in the upper reaches of the river and the lakes in the last two or three years?—A. That is away west of us in the Kawartha Lake region.

Q. That is farther up the river?—A. A couple of hundred miles farther up.

Q. Do you know that has been done?—A. Yes.

*By Mr. Lennox:*

Q. Do you know or have you merely heard it?—A. I have been informed by various men of it, that is all.

Q. But that is a couple of hundred miles up?—A. I would judge that, that is following the river.

*By Mr. Carvell:*

Q. It is a matter of public knowledge that certain works were carried out up there by the government for the purpose of conserving the water, isn't that true?—A. That is true.

Q. Being a lumber man, I suppose you know there are boats on the river?—A. I have a yacht.

Q. You have means of knowing the relative stages of the water during the last two or three years since the improvements have been made and before that? Is there any difference?—A. Very little.



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Q. Has the water been any higher during the last two years than it was before that?—A. Last year it was.

Q. Do you know whether that was due to the conservation of the water of the upper regions, or not?—A. Well, I wouldn't think so.

Q. If the water was higher last year would it overflow land that it would not previously have overflowed?—A. Why, certainly.

Q. Well, then, do you know if there was land flooded with water that was not flooded prior to that?—A. Well, I don't know of it, but common sense would lead me to believe it would be. It could not help but be.

Q. And what about the year before? Did the same condition of affairs exist?—A. The year before the water was not so high.

Q. As it was last year?—A. It was not so high.

Q. Was the year before an extremely dry season or otherwise?—A. I don't remember.

Q. You don't remember that?—A. No, although the year before we had very little snow.

Q. Very little snow?—A. Very little snow in the winter.

Q. Well, what about the summer?—A. Ours is not a dry town.

Q. I am not talking about that, I am talking about the water. As a matter of fact was not the year before last was there not an extremely dry summer when the Ottawa river practically went dry and they had difficulty in getting power here in the electric plant?—A. I believe it was, the year before last.

Q. It was a very dry season?—A. 1908, yes.

Q. Are you not interested in water-powers or anything of that kind?—A. Yes.

Q. You would know whether it was a dry season or not?—A. We have lots of power there, we have a good head.

Q. It would not affect you then?—A. No.

*By Mr. Barker:*

Q. What was the higher water last year due to?—A. The quantity of snow, I think, myself.

Q. Not from any structures or anything of that kind?—A. No, I would not say so.

*By Mr. Lennox:*

Q. How long did it last; that additional height of water?—A. From—let me see now, starting say—up about March it started and it had receded in June, down to normal again.

Q. So it was not continuous?—A. No.

Q. And how much higher was it than usual?—A. Well, it was, let me see—at the height it was 8 inches than it is at present.

Q. When it is at the highest point it is 8 inches higher than it is now?—A. Yes.

Q. But it has not reached its ordinary spring height yet?—A. Yes, I think so.

Q. Then it was about 8 inches above the ordinary conditions—A. I would say so, yes.

Q. Would that effect the river very far to the west?—A. Well, I can't say whether it does.

Q. You would not think it would, would you?—A. I would not.

Q. Would it affect the heights of the water as far back as any of Humphries' property?—A. I don't think so.

Q. It would not go as far back as the River Ouse?—A. They claim it affects them up there, but I cannot say.

Q. You are judging for yourself, you don't think so?—A. I can't see it.

Q. The River Ouse is a creek, it is not a river at all, is it?—A. Well, no, it is not a river.

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Q. You could jump across it anywhere, couldn't you?—A. You can not.

Q. Can you not?—A. Oh, no.

Q. Up near Warner's place it seems to be rather narrow?—A. Well, is there possibility!

Q. Up at J. L. Humphries it is very narrow. Anyhow it is not a very big river.  
—A. No, it is not.

*By Mr. Barker:*

Q. I suppose, Mr. Fowlds, you know that the water in the lakes and rivers generally was high last year?—A. Yes, it was.

Q. Not from any construction or anything of that kind, but the water generally was higher?—A. Was higher.

*By Mr. Lennox:*

Q. And in the valley of the Ouse I suppose the land floods, as you would call it?—A. Yes.

Q. In the spring time, by reason the trees and logs and rubbish of the different kinds that is along the river?—A. That helps a great deal.

Q. And the snow and ice?—A. Yes.

Q. And you know, as a matter of fact, that the flooding along the Ouse has subsided again before the high tide in the Trent? I am told that the high water in the Trent is about in June?—A. Yes, I would say that it has subsided.

*By Mr. Carvell:*

Q. If the water were very high in the Trent, would it back up any distance in the Ouse?—A. About possibly two miles.

Q. Then, if the water were higher in the Trent than in the Ouse, it would affect the Ouse for about two miles up?—A. I would think so.

Q. Would that bring it up as far as the land of our old friend Henry Humphries?—A. No, he is not there; he is on the Trent.

Q. Would Warner be on the Ouse?—A. Not at that distance.

Q. He is more than two miles up?—A. You see I am talking of two miles following the stream, and not in a straight line. The stream is very crooked.

*By Mr. Lennox:*

Q. You do not think it would back up as far as Warner's land?—A. I do not.

Q. By very high water, you mean in the bed of the stream, or do you mean flowing beyond the bed of the stream?—A. It would be in the bed of the stream.

Witness discharged.

Mr. JAMES A. WARNER, Hastings, called, sworn and examined:

*By Mr. Lennox:*

Q. Mr. Warner, you live in Asphodel township?—A. Yes, sir.

Q. You considered you had a claim?—A. Yes, sir.

Q. Against the government of the country? You sought to get payment and you got payment?—A. Like the rest of my neighbours.

Q. We all want what we can get?—A. We are always looking for more.

Q. Did you put your claim in through Mr. Clarry?—A. Yes, sir, I gave it to him.

Q. I think he said you telephoned him?—A. No, I went down to his office. I have no 'phone.

Q. And he drew up a retainer, and you signed it?—A. Yes; wrote it out while I was there.

Q. And you signed it?—A. Yes, sir.

Q. I don't want to bother you about the form of it; Mr. Clarry has told us what

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the form was. You understood that if you didn't get anything you were not to pay him for it?—A. That is right.

Q. And that you were to pay how much per cent?—A. Twenty.

Q. Twenty per cent upon whatever amount was recovered?—A. That is right.

Q. You were claiming how much?—A. I put in damages at 30 acres.

Q. For how much an acre?—A. Mr. Dickson allowed me \$11 an acre.

Q. How much did you think it was worth?—A. I put in for \$20 an acre.

Q. We are speaking of the time when you went to see Mr. Clarry. Is that right?—A. That is right.

Q. You were claiming for 30 acres?—A. Yes, sir.

Q. At 20, that would be \$600. That was your claim then?—A. That was my claim then.

Q. And you agreed to pay Mr. Clarry?—A. Twenty per cent.

Q. Twenty per cent on that amount or whatever you recovered? Is that correct?—A. Well, that was the agreement. I was to give him 20 per cent on whatever amount we recovered.

Q. Of course, you did not expect to recover more than you asked up to \$600?—A. No, sir.

Q. That is what you were asking? Then he put in your claim, and after a time it was paid?—A. Yes.

Q. You had an agent, Mr. Dickson, come to see you?—A. Yes, sir.

Q. He came to your place?—A. Yes, sir.

Q. And went over the land?—A. Down on one side of the river.

Q. Had a look at it anyhow?—A. Had a look around.

Q. There were no measurements, I suppose?—A. No.

Q. And no levels were taken?—A. A surveyor was sent down some time afterwards, Mr. Fitzgerald, who measured it.

Q. When was that?—A. Along in the month of April, I think.

Q. Was that before or after you were paid?—A. After I was paid.

Q. Was that April of 1909?—A. Yes, a year ago.

Q. But it was after you had been paid?—A. Yes.

Q. And then he took the measurements or the levels, which?—A. He took the measurements, and he used his compass.

Q. I do not think he took any levels.

Mr. CARVELL.—But what does the witness say about it?

*By Mr. Lennox:*

Q. Were you with him?—A. I wasn't with him, I asked him if he wanted my help, and he said, 'No, show me where the corner stake is, that is all I want from you,' and he went to work and surveyed it all over.

Q. He did not take the levels?—A. They were taken three or four years before that.

Mr. CARVELL.—I think Mr. E. J. Walsh took the levels before that.

Mr. LENNOX.—An officer of the department, I think it was Mr. Jones, came to me with a telegram, and I asked him to let me have a copy of it as follows: (Reads)

PETERBOROUGH, ONT., March 8, 1910.

L. K. JONES,

Railways and Canals, Ottawa.

Re flood claims near Hastings. There are ten claims in question which front on the Trent and Ouse Rivers in Asphodel Township. Time required to survey them and take levels will depend on amount of snow and bush encountered and whether the lot lines can readily be found on the ground. On the basis of a month's work cost would not be less than five hundred dollars, which does



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not include cost of a land surveyor if one is required to lay out land lines, in which event time would be increased. Wire instructions.

ALEX. J. GRANT.

—I informed Mr. Jones that, under the circumstances, I did not think it was advisable to go to the expense.

Mr. BELL.—I can explain that, they telegraphed to Mr. Grant who is superintendent of the engineers there; Mr. Walsh has no office there, their offices are not together. Mr. Walsh has taken the levels and they will not be found in Mr. Grant's office, but Mr. Jones has taken it for granted that Mr. Grant would be the man from whom to inquire.

Mr. LENNOX.—Then this information is not reliable.

Mr. BELL.—I will have inquiry made, but I think that is how the mix up has occurred; I will make inquiries and let you know.

Mr. LENNOX.—I understood from the information given me by the department that no levels were taken, and that is the way Mr. Graham understands it at the present time.

*By Mr. Lennox:*

Q. Then you gave your retainer the way you have said, and you were to pay 20 per cent was it?—A. Yes.

Q. And your claim as allowed was \$330, was it?—A. That is correct.

Q. So that would be \$66?—A. Yes.

Q. Is that what you paid?—A. That is what Mr. Clarry got.

Q. And where was that paid?—A. In his office.

Q. Was there any dispute between you and Mr. Clarry about that time?—A. No Clarry got the cheque.

Q. It was made payable to Mr. Clarry and yourself, I presume?—A. I presume so.

Q. And you endorsed it?—A. Yes, I endorsed it.

Q. And you left it to Mr. Clarry to draw the money?—A. Yes, sir.

Q. And Mr. Clarry drew the money and paid you the balance retaining his own?—A. Yes.

Q. Was there any dispute between you and Mr. Clarry about that time?—A. No, there was no dispute.

Q. Was there not a little discussion?—A. No—at the time this retainer was drawn up I said I thought it was a little high but I came to the conclusion to let it go at 20 per cent.

Q. But you didn't dispute it when paying him?—A. No, sir.

Q. You didn't make any protest?—A. No sir.

Q. Was any one present that you recollect?—A. No, sir.

Q. Mr. Dickson wasn't present?—A. No, sir, he was not.

Q. Was Mr. Clarry your lawyer previous to this?—A. No, sir, I never engaged a lawyer for anything.

Q. You never had the happiness of having a lawyer before?—A. I never had that satisfaction.

Q. Is that what you say, you didn't regard it as a misfortune to pay Mr. Clarry this \$66, did you?—A.—The way it turns out it seems to me to have got everybody into trouble.

Q. What I was going to say was, as suggested to the last witness, were you satisfied or was it practically a matter of not crying over spilt milk?—A. I agreed to give him 20 per cent and I didn't squeal about it.

Q. So that what your claim really amounted to was \$264, net?—A. That is right.

Q. Now you say that Mr. Clarry was not your lawyer, that there wasn't any one your lawyer?—A. No, sir.

Q. How did you happen to go to him?—A. He wrote for me to go down, he heard that I had drowned land and wrote for me to come down and I came down.

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Q. Have you that letter?—A. No sir.

Q. What did you do with it?—A. I put it in the stove when everything was settled up.

Q. That is what you do with your letters when everything is over?—A. It was last spring he wrote me to come down as he wanted to see me on business.

Q. He didn't tell you what the business was?—A. I couldn't say whether he did or not, I don't know whether he did or not.

Q. Do you generally go down when a man writes you and says he wants to see you without telling you what it is about—do you generally go?—A. It is not very far from Hastings to where I live.

Q. Well, he asked you to come in and see him?—A. I think he said the first time I went down, to call in, he wanted to see me.

Q. And that is the way you got to his office?—A. Yes sir.

Q. And when you went in his office he asked you if you hadn't a claim for drowned lands?—A. Something to that effect.

Q. And of course you said yes?—A. Certainly.

Q. Sure, and you told him what it was?—A. Yes, sir.

Q. And you struck a bargain at once on 20 per cent?—A. Yes, sir.

Q. Did you know at that time—when was that?—A. Oh, about the last of January or the first of February, somewhere about then, the last week in January or the first week in February. I would not just say exactly, somewhere along there.

Q. That was in 1909?—A. Yes, 1909.

Q. Did he tell you anything about what success he had in other claims?—A. No, sir.

Q. He didn't say what success he had with the claims in his hands?—A. He spoke of a couple that he had, that was all.

Q. Whose were they?—A. Mr. Sargent's and Mr. Adam Humphries.

Q. He told you he had those claims?—A. Yes, sir.

Q. Did he say anything about getting claims from any other person?—A. No.

Q. For instance G. A. L. Humphries, did he tell you anything about seeing him?—A. I believe he did speak about it, say something 'hadn't he a claim,' or something like that, and I said he adjoined me.

Q. He had the geography of that territory thoroughly well. Mr. Humphries is to the west of you, isn't he?—A. No, to the north.

Q. To the north, and he said hadn't Humphries a claim, and he was next to you?—A. Yes.

Q. What did you say as to that?—A. I said he had some land, I didn't know how much.

Q. You did not know whether it was drowned or not?—A. It is not drowned, but damaged land. The high water lay on it in the spring so that it is not fit to put a crop on.

Q. But it is not what you would call drowned land?—A. Oh, it is not drowned land altogether.

Q. So you told him what that was. Now try to think, did he ask you to do anything in reference to sending Humphries in?—A. Yes.

Q. What was it?—A. He asked me if I would let him know.

Q. That you would let Humphries know that he was putting in claims?—A. Yes.

Q. What did you say to that?—A. I said I would let him know if he wished me to, being as I lived so close to him and our lands adjoining.

Q. And did he try to get Humphries to go in?—A. Yes, he asked me would I see him and tell him to come down, and I told him.

Q. You told him what it was?—A. Yes, sir.

Q. That is that Mr. Clarry was putting in claims for drowned lands and that Humphries might have a claim, and to tell him to come in and put in his claim. Did you do that?—A. Yes, sir.

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Q. And did Humphries say he would go?—A. I believe he went down the next day or so. Yes, he said he would go down.

Q. And you understood he went down the next day or so. That probably accounts for the fact that the two claims came in nearly at the same time. Now, was anything said about Mrs. Graham at that time, or Stewart Graham?—A. No, sir, there was not.

Q. Nothing said about them?—A. No.

Q. You did not mention that they would have drowned lands, did you?—A. No, sir, I never did.

Q. You would not think they would have drowned lands up there?—A. I don't know for sure, following the river up.

Q. That is within a mile of your place?—A. Within a mile and a half.

Q. Let us understand about Mr. Dickson? That gentleman came to your place. You thought you had a claim of \$600. He looked at the land and estimated how many acres would be under water, I suppose?—A. Well, that was damaged by water.

Q. Did he take your evidence?—A. Yes. He said he thought there was that much or may be more.

Q. You don't understand me. Did he take your evidence on oath?—A. No, no.

Q. You told me you presented your claim in the best way you could?—A. Yes.

Q. But he did not take any sworn statement from you?—A. No, sir.

Q. And he did not take any evidence from any one else?—A. I don't know whether he did or not.

Q. For instance the statement of the oldest inhabitant as to whether these lands were accustomed to being flooded or anything; you have no knowledge of that kind?—A. No, sir.

Q. Now how soon after you gave your claims into the hands of Mr. Clarry did Mr. Dickson come to see you?—A. He came between two and three weeks I think.

Q. He was fairly prompt then?—A. Somewheres along there.

Q. And did he come alone or did Mr. Clarry come with him?—A. No, sir.

Q. He came alone?—A. He had been around to see Mr. Adam Humphries' property and the two of them drove there together.

Q. He had been to see Humphries. You mean the Humphries down the Ouse?—A. Down the mouth of the Ouse.

Q. And he had been at the mouth of the Ouse and then came up to your place?—A. Yes, sir.

Q. And did he tell you that he was going over to see Graham?—A. No, sir.

Q. He did go over to see Graham on one occasion?—A. I believe he did later on. He didn't mention anything to me.

Q. Not that first time?—A. No.

Q. What did he say, anything about Mr. Clarry?—A. Never mentioned Mr. Clarry to me.

Q. He never mentioned Mr. Clarry to you?—A. No, sir.

Q. Did he mention anything about your claims? Did he say there had been a claim of yours against the government or what did he say?—A. Well, I think he said there had been a claim put in and he had come up to have a look at it, to see what I thought I had.

Q. Did he not say who had put in the claim?—A. No, I don't think it.

Q. Did you tell him about Mr. Clarry? That you had put in a claim through Mr. Clarry?—A. I may have, I would not say for sure.

Q. You do not know. That is all the claim you had made anyhow?—A. Yes.

Q. The claim you had made through Mr. Clarry was the consequence of his coming there?—A. Yes, sir.

Q. That was the only claim you had?—A. Yes, sir.

Q. And did he come to your place more than once?—A. No, sir. Just the once.

Q. Well, now, Mr. Clarry tells us—no I am wrong I think it was when he was going to G. A. L. Humphries, he said he signed the letter.



Mr. CLARRY.—I did sir.

*By Mr. Lennox:*

Q. Now, you told me Mr. Dickson came to your place just the once?—A. Just the once.

Q. And did he give a settlement then?—A. No, I was away from home the day he was there.

Q. He made whatever examination he wanted?—A. Yes and left word for me there.

Q. And you are speaking of what your wife or some member of the family told you when you came home?—A. Told me I was to meet him in Hastings.

Q. And did you?—A. Yes, sir.

Q. And did you settle?—A. Yes, sir.

Q. Where was it you were to meet him?—A. At the Spellman hotel.

Q. Where is that, in which part of Hastings, on which side of the river?—A. On the north side of the river.

Q. Not the one down at the station?—A. No, sir.

Q. Who did Dickson say had sent him to your place?—A. I don't think he said.

Q. You don't think he said?—A. I don't think he said anybody sent him.

Q. You were to meet him at the Spellman Hotel and you did so?—A. I called there but he was not there. He was at Mr. Clarry's office when I went down there.

Q. You were at the Spellman hotel to settle but you found Mr. Dickson was over at Clarry's office?—A. Yes, sir.

Q. And you went over to Mr. Clarry's office?—A. Yes, sir.

Q. And found Mr. Dickson there?—A. Yes, sir.

Q. And you came to a settlement?—A. Yes, sir.

Q. I suppose you dickered more or less?—A. Oh, I don't think it.

Q. You don't think it. Farmers are great people for sticking out for prices?—

A. Some are.

Q. Anyhow he offered you how much?—A. Ten dollars.

Q. Ten dollars an acre?—A. Yes, sir.

Q. For—?—A. For 30 acres.

Q. Thirty-three acres would it not be?—A. That was 30 acres. \$10 an acre he offered me. I asked him could he not do better than that and talked to him a little while and he said: 'I will give you one more.' That is all he would pay.

Q. That would be \$10?—A. No, \$11 an acre.

Q. He would give you \$11 an acre?—A. Yes.

Q. Was there much discussion about it?—A. No, there was not.

Q. There was just the three of you present, Clarry, Dickson and yourself?—A. Yes, sir.

Q. And you all just talked it over in that friendly way?—A. Yes.

Q. And there it was settled?—A. Yes, sir.

Q. And was it put into writing?—A. Yes, sir. Put into writing.

Q. You signed the claim?—A. Yes. Mr. Dickson did the writing.

Q. Mr. Dickson did the writing there in Mr. Clarry's office and the three of you were present?—A. Yes.

Q. And you signed it?—A. I signed it.

Q. And you put in the claim? Mr. Bell would you mind turning up the witness' claim? (Document produced.) This is it Mr. Warner, dated 15th January. Is that the paper you signed (handing document to witness)?—A. (After examining document.) That is my handwriting.

Q. Is that the one? You may have signed more than one paper?—A. Oh, no, that is my writing.

Q. That is the paper you are speaking of?—A. Yes.

Q. This is an agreement, I suppose, I don't know what they call it exactly, signed by James A. Warner in the presence of James Dickson in which it is recited (Reads):

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'I consider I have and do suffer loss and damage from the construction and operation of the said canal to the amount of six hundred dollars, but in order to effect settlement I do hereby offer and agree with the Minister of Railways and Canals to accept the sum of three hundred and thirty dollars in full settlement of all claims for damages consequent to the construction and operation of the said canal,' and so forth, 'for the construction and operation of said canal so long as the waters of said canal are held no higher than they were in the season of 1908'?—A. Yes, sir.

Q. And it is further agreed with the said minister on the receipt of the said sum of \$330 to execute the deeds, &c.?—A. Yes.

Q. Your wife's name is Mary Jane Warner, and that does not seem to have been drawn out or filled in by Mr. Dickson, you know this is his writing?

Mr. CLARRY.—I wrote it out, Mr. Lennox.

Q. This was written out by Mr. Clarry?—A. Probably it was, I don't know, they were both present at the time.

Mr. CARVELL.—That is the form that appears in all these claims, isn't it.

*By Mr. Lennox:*

Q. This is the form that appears in all these claims when it comes to an agreement. How long have you lived in that lot?—A. 22 years.

Q. Was the dam at Hastings, the dam that is now at Hastings, was it there when you moved on this lot?—A. It was built there since.

Q. Have there been any changes made, to your knowledge, as regards the height at which the water is maintained?—A. It will hold higher water than what they could maintain with the old one, that is all I know.

Q. You say they can retain the water at a higher level with the new dam than they could by reason of the old dam?—A. Yes, sir.

Q. And you came on your lot 22 years ago?—A. Yes.

Q. And the dam has been rebuilt since then?—A. Yes, sir.

Q. When was it rebuilt?—A. I can't tell you exactly.

Q. About when? Has it been recently or was it some years ago?—A. Yes.

Q. Was it as much as 8 or 10 years ago? Is that right?—A. I could not tell you.

*By the Chairman:*

Q. Was it before you made the settlement?—A. Before I made the settlement, of course.

*By Mr. Lennox:*

Q. You judge it was 8 or 10 years ago?—A. Probably more. I couldn't say exactly, it was since I moved on the place.

Q. Then you don't know anything about the condition of the land before the water was raised in the Trent to its present level?—A. No, I could not say anything about the height of the water.

Q. Now the Ouse, from your place down, does it flow principally through wooded land, part of the way?—A. A part of the way it is cleared land.

Q. Which is the most, which is the principal?—A. I guess it is two-thirds wooded land.

Q. And a great deal of it is swamp?—A. Part of it is swamp.

Q. Pretty much all of it, and the timber on it is ash and cedar, isn't it?—A. And elm.

Q. Such woods as grow on low lands?—A. Yes.

Q. And the natural flow of the water in springtime, before the ice and snow gets away, is very much impeded by reason of the growth of timber and the fallen timber?—A. It is not held back much that way, it always seems to break up pretty early and the ice goes out, I know it has gone out three weeks ago at my place.

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Q. As a matter of fact the flood from which you suffer on the Ouse has subsided a couple of weeks before the high water in the Trent?—A. It hasn't gone down much yet.

Q. But speaking from year to year it goes down, and you are over with it a couple of weeks before it rises on the Trent?—A. When the Trent rises it backs up on the Ouse, there isn't 10 inches fall from my place down.

Q. Are you speaking now from actual knowledge or from estimate?—A. They made a plan, the surveyors, and they told us; I asked them when they made the survey three or four years ago how much the fall was, and they said there wasn't ten inches.

Q. That is mere hearsay, we will want to get the engineers to tell us about that. After you had ceased to have your flood on the Ouse the high water comes on from the Trent, I am told that is the way of it?—A. I guess that is so.

Q. And the high water in the Trent does not come until probably the middle of June, isn't that about right?—A. I don't know, it is high enough at the present time in the Trent.

Q. The last witness told us that the high water in the Trent is in June.

Mr. FOWLDS.—No, excuse me, I said from March until the first of June.

Mr. LENNOX.—I understood you to say that it rose to its height about the first of June.

Mr. FOWLDS.—No, it is down to level about the first of June.

Mr. LENNOX.—When do you say it is at its height, Mr. Fowlds?

Mr. FOWLDS.—It depends altogether on the season, this year I think it is nearly—

Mr. LENNOX.—On the average, what is the highest time on the Trent?

Mr. FOWLDS.—In May.

Mr. LENNOX.—What time in May, the middle of May and on through May, say, take the month of May, I suppose.

Mr. FOWLDS.—Yes.

(Examination of witness resumed.)

*By Mr. Lennox:*

Q. Now, is it a fact that your flooding has gone away pretty much before the high water is reached and maintained in the Trent?—A. Oh, it has partly gone down but the banks are overflowed there until away after seeding time.

Q. You thought you got a pretty good settlement of this, didn't you, at \$330?—A. Well, it wasn't as much as I thought I should have got, the land is cleared all along the river.

Q. You were willing to give \$66 out of that amount, what you actually got was \$264, as you have said?—A. Yes, sir.

*By Mr. Carvell:*

Q. You say that as a matter of fact the water is backed up by the Trent into your lot?—A. Certainly.

Q. Then if any work is erected by the government which would cause the water to rise higher in the Trent, it would also cause it to be higher in the Ouse?—A. Certainly it does.

Q. Consequently it is higher on your land, and that is what you claim damages for?—A. That is what we claimed damages for.

Q. Do you claim that your land was drowned or flooded?—A. Flooded.

Q. That it will be covered by water part of the year, and part of the year it would not, and it was for the flooding you received compensation?—A. I have never said I had drowned land.

Q. Now, you were perfectly honest in making that claim, weren't you?—A. Certainly.



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Q. And you would never have made it if you had not thought your land had been damaged?—A. Certainly, I wouldn't.

Q. Do you know whether other people there did receive damages for their land being flooded as well as yourself?—A. I know all along the Ouse river, so far up, they all got damages.

Q. For flooding?—A. They got damages the same as my own.

Q. And you believe they were honest in making their claims, too?—A. Yes, sir.

Q. When you went to see Mr. Clarry, was there any talk about how much you were to pay him, that is, did he agree to take up your claim on you paying his fees, or was it simply on commission from the beginning?—A. He said he understood that I had damaged land up there, and if I would give him the claim for settlement he would do it for twenty per cent and get a settlement for me.

Q. Yes?—A. And I gave it to him, the claim, for settlement.

Q. You gave him the retainer?—A. Yes.

Q. And agreed to do it?—A. Yes.

Q. And now you are not finding any fault with it?—A. I am not finding any fault

Q. At the time you were there, do you remember the date? You stated you thought it was along in January or February, but I think you must be in error, because I find the settlement was made between you and Mr. Dickson on the 15th or 16th of January?—A. Well, probably it was. I never kept any date of it.

Q. I understand from these dates, though, that it must have been earlier than that?—A. Well, whatever the papers call for it is.

Q. I am not finding any fault; it is the simplest thing in the world for a man to be wrong in a date. You thought it was the latter part of January?—A. The latter part of January.

Q. Now, I find the settlement with Mr. Dickson was made on the 15th of January, and it must have been before that you went to Mr. Clarry's office; that would bring it back to the latter part of December or the first part of January?—A. Probably somewhere along there. I could not say for sure; I could not say.

Q. Now, about the time you went down to see Mr. Clarry, the last part of December or the first part of January, you say you had some talk with him about Mr. George Humphries; didn't he tell you about that time that Humphries had telephoned him?—A. No, I don't think he—

Q. Or that Mr. Sargent had telephoned him from Humphries?—A. I remember something to that effect.

Q. Something to that effect. He mentioned to you when he spoke to you that there had been some previous correspondence between him and Humphries, or some one on behalf of Humphries?—A. Well, some one on behalf of Humphries.

*By Mr. Barker:*

Q. Mr. Dickson offered you \$300?—A. Yes, sir; \$11 an acre, \$10 first.

Q. That was his offer?—A. Yes, sir.

Q. And you said that he could do better for you?—A. I thought I ought to have more.

Q. He said he would give you another dollar?—A. Yes, sir.

Q. And you knew you were only to get \$264 out of that?—A. Yes, sir.

Q. Well, I suppose, if Mr. Dickson, when he went out to see you, had offered you \$264 you would have taken it, would you not?—A. A man has generally got to take what he can get if he can't get any more.

*By Mr. Carvell:*

Q. Mr. Barker asked you if, when Mr. Dickson went out to see you, you would not have taken the \$264. Was that not after you had made the trade with Mr. Clarry to pay him 20 per cent?—A. Yes.

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Mr. BARKER.—What I asked the witness was, if Dickson had gone out to him and offered him \$264, would he have taken it.

*By Mr. Carvell:*

Q. If, before you had retained Mr. Clarry in the transaction at all, Mr. Dickson had gone there and offered you \$264, would you have taken it?—A. Yes, if that is all he would have given me, certainly.

Q. You act on the principle that half a loaf is better than no bread?—A. Yes, half a loaf is better than no bread.

Witness discharged.

Mr. G. A. L. HUMPHRIES, Westwood, called, sworn and examined:

*By Mr. Lennox:*

Q. You live in Asphodel?—A. I do.

Q. On the River Ouse?—A. Yes.

Q. That river runs through your land?—A. Yes.

Q. How much did you get, \$550 was it not?—A. \$550.

Q. When did you put your claim into the hands of Mr. Clarry?—A. Around about the 17th or 18th of January.

Q. And had you ever done any business with Mr. Clarry before?—A. Well, only through my father's death, that was all. Just at my father's death the executor had a meeting and I was down there signing some papers.

Q. You knew, of course, that Mr. Clarry was a prominent man in politics and would be reasonably influential with the government?—A. No, I never knew what politics he had until he ran for member.

Q. Well, he ran for member at that time didn't he?—A. Well, yes that summer or the summer before.

Q. He was prominent in political circles as well as prominent as a lawyer?—A. Yes.

Q. You knew he was an influential man with the government?—A. Yes.

Mr. CARVELL.—Did the witness say that.

Mr. LENNOX.—He said so.

*By Mr. Lennox:*

Q. Naturally you thought he would be a good man for you to put your claim through?—A. No, I didn't think anything about it. I didn't think whether he was a good man or any other kind of a man.

Q. You didn't think he was a bad man?—A. No, I didn't think he was a bad man.

Q. Well, then you thought he was a good man, is not that correct?—A. I thought he was an honest man so far as I knew.

Q. All lawyers are honest men?—A. No they are not.

Q. Oh there is no doubt about that. So you decided to put the claim in his hands. And did you do that of your own notion or did you get a message from Mr. Warner?—A. I had seen Mr. Warner after I—I knew all about this before I had seen Mr. Warner a month or two months before.

Q. You did as a matter of fact get a message from Mr. Warner?—A. Yes, I got that message. I did not go on his message.

Q. And put in your claim. You did get a message from Mr. Warner?—A. I did.

Q. That Mr. Clarry wished you to go down and put in your claim?—A. He asked me to go down. He did not say he wished me to go down.

Mr. CARVELL.—Would it not be better to let the witness answer the question.

The WITNESS.—He asked me to go down, he did not say he wished me to go down.

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*By Mr. Lennox:*

Q. Mr. Clarry asked you to go down and put in your claim?—A. No, he asked me to go down and call at his office.

Q. Is that it?—A. Yes.

Q. Then you don't quite agree with Mr. Warner. In consequence of that message anyway, you did go down?—A. Not on that message.

Q. It was not on that message you went?—A. I was talking with Mr. Sargent in Westwood on that. I was getting my horses shod. I was in his store and he was mentioning about Mr. Clarry taking in claims.

Q. Mr. Sargent told you that?—A. He asked me to phone down and I said no, I wouldn't phone down, it would cost fifteen cents. I left and he phoned down.

Q. He did not phone down while you were there?—A. No.

Q. But that day Mr. Clarry, who has a store, has he?—A. Yes.

Q. Told you that Mr. Clarry was putting in claims for flooded and drowned lands against the government?—A. Yes.

Q. And spoke of you putting in your claim?—A. Yes.

Q. And wanted you to phone down to Mr. Clarry; you would not do it?—A. I did not do it because I told him I had business down there the next day and I could go then.

Q. Did you go down next day?—A. I did.

Q. After that you got a message from Mr. Warner, so that all these various circumstances worked together for this great good. Then you went down the next day?—A. I did.

Q. That was about the 15th or 16th of January?—A. Around about there, around about that time.

Q. That would be the day after the time Mr. Warner told us he put in his claim?—A. The day after.

Q. And you signed a retainer?—A. I did.

Q. And Mr. Clarry I suppose told you he would do all he could for you?—A. No, he didn't say he would do all he could for me. He said he would send in the claim.

Q. Did he tell you he had been very successful with the claims?—A. He told me he would get it very soon, that's all.

Q. Did he tell you he had been pretty successful?—A. No, he did not.

Q. Well how long after that was it you signed a retainer to pay him 20 per cent of what he would get? Your claim at that time was how much? Did you make up your claim at that time and how many acres did you think were damaged and how much per acre?—A. I put in 50 acres damages at \$20 an acre damages.

Q. That is the claim you made when talking to Mr. Clarry?—A. No, I did not say anything about that to Mr. Clarry.

Q. You did not tell him how much you had damaged?—A. No. I did not tell him how much I had damaged or how much I was going to put in.

Q. You just put in a claim for damages?—A. Yes.

Q. There was no acreage mentioned?—A. No.

Q. Nor no sum mentioned?—A. No sum.

Q. You are quite sure about there being no acreage, because I understood from Mr. Clarry that he generally mentioned the acreage.

Mr. CLARRY.—In some cases I said.

Q. He generally mentioned the sum, but you say that in your case there was no acreage or sum mentioned?—A. No.

Q. How was that, was there any reason for concealing it?—A. For concealing it?

Q. Yes?—A. Well, I understood that every one was getting damages on the Otonabee river and Rice lake, through Mr. Sargent, that the valuator put in that.

Q. But you considered that you had 50 acres damaged and that the damages were \$20 an acre?—A. Yes.



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Q. That would be about \$1,000?—A. Yes.

Q. But you did not mention that to the solicitor at all?—A. No, I did not mention it to him.

Q. And anyhow you put in that claim through Mr. Clarry, and that was the only claim you put in to the government?—A. The only claim.

Q. Did he tell you Mr. Dickson would likely be along?—A. Yes.

Q. Mr. Clarry told you that Mr. Dickson would be likely along some day, and he did come along?—A. He did.

Q. How soon after?—A. May be a couple of days, he was down in the neighbourhood then, he went up to—

Q. He had got word in some way, what did he say when he came?—A. He told me he was around looking after the flooded lands and the damages.

Q. What did he say about yours, did he say anybody had sent him to see your land?—A. No, he did not say anybody sent him.

Q. But he said he was around looking after the flooded lands?—A. He said I had made a claim.

Q. And that he was around looking after the flooded lands?—A. He was over looking after the flooded lands.

Q. What did he say about your claim?—A. He came into my place and we walked over halfways across the lot and then he crossed the river with me and came back, and asked me how much I would take.

Q. Before coming to that what did he say about knowing you had a claim?—A. He knew that I had put in a claim.

Q. Was that the reason he came to you?—A. Yes.

Q. Then he asked you to go with him, or you did go with him to look at the place?—A. Yes.

Q. And that would be within a couple of days after the claim was put in. I want to fix the time, that will be within a couple of days after you put in your claim?—A. Yes.

Q. And what was done then?—A. We went over, and after we came back this side of the river, we went as far as the water raised and damaged the land, he asked me how much I put in for and I told him 50 acres at \$20 an acre, and he said that was too much; then he made an offer of \$11 and wouldn't go any higher, he said that was all he would give, and I said I supposed I couldn't do any better and he came up to the house and filled up the papers.

Q. So you settled with him on the basis of 50 acres at \$11 per acre?—A. At \$11 per acre.

Q. And you signed the paper then, he filled in the paper and had you sign it?—A. I did.

Q. Now your claim here seems to be filled in by Mr. Dickson, I would judge it by the writing, it was filled in at your place?—A. Yes, he wrote that, he used both hands when he was writing.

Q. It is signed by you, that is your signature (document handed to witness)?—A. That is my signature.

Q. And it is dated 16th January, 1909?—A. Yes.

Q. And at that time you settled that you thought you were intitled to payment for 50 acres amounting to \$800, that is less than \$20 of course, amounting to \$800, and that you had agreed to accept \$550, and that settled it as far as you and he were concerned?—A. As far as I was concerned.

Q. And you knew of course that out of that you had to pay 20 per cent \$110?—A. Yes.

Q. So that you realized net \$440?—A. Yes.

Q. And you made the bargain yourself, as you say?—A. Yes.

Q. So that if Mr. Dickson had come to you without the intervention of Mr. Clarry you would have settled with him for \$440?—A. I don't know, he offered me \$11.

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Q. But you knew, as you have already said, that you knew, when settling with him you would have to pay Mr. Clarry \$110, therefore you would only realize \$440, that is right, isn't it?—A. Yes.

Q. If Mr. Dickson had come to you before you had gone to Mr. Clarry you would have settled with him for \$440?—A. I guess it is likely I would, if he wouldn't go any higher.

Q. Well then, when Mr. Dickson came to you did he tell you that he was going over to the Grahams?—A. No, he didn't tell me he was going any place or where he was going.

Q. Did you know he went to Graham's?—A. No, I didn't.

*By Mr. Carvell:*

Q. If you could do all your business without going to a lawyer you wouldn't go to him, would you?—A. That was the first lawyer I ever had anything to do with.

Q. And you went to him because you thought he could get you your pay?—A. Yes.

Q. And naturally when you did go to him you expected to pay him?—A. Certainly.

Q. That is what you thought you would have to do when you went to Mr. Clarry?—A. Yes.

Q. And you did pay him?—A. Yes.

Q. And you haven't found any fault with him because you did pay him?—A. No, I find no fault.

Q. By the way, what relation are you to Henry Humphries?—A. A nephew.

*By Mr. Lennox:*

Q. Before you went to Mr. Clarry did you know that Mr. Dickson was out through the neighbourhood adjusting claims?—A. I did.

*By Mr. Carvell:*

Q. And still knowing that you went to Mr. Clarry?—A. I did. I intended going to Peterborough anyway, and found that would be nearer.

Witness discharged.

Mr. JOHN SARGENT, called, sworn, and examined:

*By Mr. Lennox:*

Q. What amount did you settle your claim for with the government?—A. \$600.

Q. \$600?—A. Yes.

Q. That was for how many acres of land?—A. Sixty acres.

Q. Is that the amount you claimed was flooded?—A. Yes.

Q. That is flooded land or drowned land?—A. Well part of it is drowned and part of it is flooded.

Q. Your claim was for sixty acres at \$10 an acre?—A. Yes.

Q. How much did you think you were entitled to or, say you were entitled to?—A. I should have had a thousand dollars. My farm was divided into three pieces. It is a long hundred acre concession. There was one piece west of the river, another piece east of the river and then there was a piece down in the centre.

Q. An island in between?—A. In the centre of that and to get to the centre I have to go through Mrs. Birdsall's land. I have to go through her farm to get to the centre or I could not get into it at all. I tried hard to get Mr. Dickson to give me enough to build a bridge from one to the other.

Q. How many years is it that you have had that land, Mr. Sargent?—A. I think it was 1903 that I purchased it.

Q. Did you live in that neighbourhood before that?—A. No, sir. I only lived there—

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Q. Or near there?—A. I lived three miles from there.

Q. Did you know that land for many years before you got it, or did you know anything about it practically until you acquired it?—A. Yes, I knew something of it. I know nearly all the land within miles of that place.

Q. Do you know Mr. Fowlds?—A. Mr. Fowlds? Yes, sir.

Q. Who gave evidence here to-day?—Yes, sir.

Q. He says he cut timber on that land?—A. Yes, sir.

Q. In 1900 and 1901.—A. Yes, sir.

Q. There was green timber. Was that land on which he cut timber embraced in the 60 acres you are getting compensation for?—A. Yes, there is some large elm and there had been a lot of ash at one time and they are dying now.

Q. They are dying now?—A. Yes. There was a time when the farm was not as wet as it is now. The parties that had it rented before I got it told me that in the middle field they grew the best oats they ever grew in their life.

Q. You had better not tell about that?—A. And I can't grow oats at all. At least they won't come to maturity.

Q. Is it a fact when Mr. Fowlds says he cut green timber, or sawmill timber—ash and other timber—upon part of this land that you are getting compensation for?—A. Yes, I think he did.

Q. About how many acres of it?—A. Well, I don't know. That was before—

Q. How many acres did he cut over?—A. That was before my time.

Q. How many acres do you understand he cut over?—A. Well, I don't know.

Q. At any rate whatever land he cut on has been embraced in this sixty acres?—A. Yes, I guess it has.

Q. You are the gentleman who has the store?—A. Yes.

Q. You went to Mr. Clarry and put in a claim?—A. Yes.

Q. Did you?—A. Yes.

Q. How did you come to do that?—A. Well, I had been asking Mr. Stratton—

Q. Mr. J. R. Stratton?—A. Yes. We were going to get paid for the drowned land and he said they had started to pay some and he thought it would be paid.

Q. Yes?—A. And I said that Mr. Clarry he was my solicitor and he was settling some claims and that he was asking a commission and he said not to give him any, that it was not necessary. Well, I said he was my solicitor and I was anxious to get the money as quick as I could get it. 'Well,' he says, 'he is a good fellow. Go on and do whatever you like.'

Q. Mr. Stratton told you not to give any commission?—A. Yes.

Q. It was not necessary?—A. No.

Q. And you said you were in a hurry to get the money, that you needed it, and you thought you would give it to him?—A. Yes.

Q. And he said 'Go on' or words to that effect?—A. Yes.

Q. You went on?—A. Yes.

Q. And you gave a retainer for what, twenty per cent?—A. Fifteen per cent. The reason of that, that he gave it to me less, was he had just probated my father's will and we had had a big deal and he threw in the commission a little less, I suppose.

Q. So you signed a retainer for 15 per cent and left it with Mr. Clarry. When?—A. I think it was sometime in the last of December.

Mr. LENNOX.—This return is blank as far as the actual date is concerned.

Mr. BELL.—The date is January, 1909.

*By Mr. Lennox:*

Q. You think it was last December?—A. Somewhere about the last of December or the first of January.

Q. It was about the end of the year?—A. Yes.

Q. Either right at the end or at the beginning?—A. I think so.



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Q. And you went to Mr. Clarry; did you tell him what you expected to get?—  
A. No.

Q. Did you tell him you had 60 acres of ground?—A. No, he didn't know anything about what I had.

Q. Did you tell him what your claim was?—A. I don't know whether I did. He didn't seem to be——

Q. You went to a lawyer and did not tell him what you wanted?—A. Oh, that was about the valuator.

Q. What did you tell him you wanted him to do?—A. To hustle up the valuator.

Q. And you would give him 15 per cent for doing so?—A. I suppose.

Q. And he was putting in a claim?—A. Yes.

Q. Or had you put in your claim?—A. No, sir.

Q. And you left it at that time about the end or the beginning of the year, and then what next happened?—A. After a while the valuator came along.

Q. How long after that?—A. I think it was in January, early in January.

Q. You think it was early in January?—A. I think it was.

Q. He came to your place?—A. The valuator? Yes, he came to my place.

Q. Were you at home?—A. He went to my farm.

Q. The farm is not the same as where you live?—A. No.

Q. He went to your farm?—A. Yes.

Q. Did he come to see you where your place of business is?—A. No, at my farm.

Q. He went to your farm?—A. Yes.

Q. And your home is not at the farm?—A. No, sir.

Q. Well, then, did he come to see you?—A. Yes.

Q. That is what I say, where your place of business or your home is. And did you come to an agreement?—A. Yes.

Q. There and then?—A. No.

Q. What was arranged? Did you go down to Hastings?—A. No, sir.

Q. What was arranged?—A. I found him a very hard man to deal with. He was a Scotchman, you could not move him an inch. I tried to pull all the wires I could. I told him I had been a Grit all my days and done everything I could to get more and showed him up my case the best I could, and I found I could make nothing of the man.

Q. You are the only one that could not move him. They all seemed to have moved him about a dollar, but you could not move him at all.—A. I guess it was for the reason that I was a Grit he would not move.

Q. Maybe it is Tories they want?—A. I guess so.

Q. How much did he offer you?—A. He just offered me what he gave.

Q. Six hundred dollars?—A. Ten dollars an acre.

Q. That is \$600, that is what he offered?—A. Yes.

Q. You did not object and he did not object?—A. There was no objecting on either side.

Q. Did it come to a settlement that day?—A. No.

Q. Well, then when did you meet again?—A. I told him that I would—I didn't want to take that, but I would consider it after I went home and would phone my solicitor and he would advise whether I would accept or not, he was coming to Hastings.

Q. Is that what you said to him, that you would phone your solicitor?—A. Yes.

Q. And did you phone your solicitor?—A. Yes.

Q. What did you do, did you accept the offer?—A. I told him that I would accept it.

Q. Did you not tell him, but your solicitor saw that he knew that?—A. I don't know whether he did or not.

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Q. You didn't tell him anyhow. You said you would phone your solicitor, that is right, isn't it?—A. Yes, I said I would phone my solicitor.

Q. And you did phone Mr. Clarry telling him you would accept?—A. Yes.

Q. Then what happened?—A. Well, I phoned him I would accept it and he did the business for me.

Q. Did you sign any paper? You had to sign something you know, I have it here, 'John Sargent, signed in the presence of George Cook.' Who is George Cook?—A. Let me see it please (examines paper). That is my writing anyway.

Q. That is your writing?—A. Yes.

Q. Filled in, I take it by Mr. Clarry?—A. George Cook is a young man——

Mr. CLARRY.—Yes, that is my writing.

Mr. LENNOX.—Where was that signed, at your place?—A. I think so.

Q. George Cook is a person who lives where?—A. In Westwood.

Q. How did this come to you, did Mr. Dickson bring it or was it sent out by Mr. Clarry?—A. It came out by mail, I expect that is the way it came.

Q. It came with a letter, I presume, don't you know who it came from?—A. It likely came from my solicitor anyway.

Q. Have you any doubt about that?

Mr. CLARRY.—I sent it.

Q. Mr. Clarry says he sent it. I guess that is all right.

Q. And what did you do with it? Sent it back to Mr. Clarry, I presume?—A. I suppose so.

Q. Then it would be sent on somewhere or other and you got your money?—A. Yes.

Q. And out of the money, you got \$600, you paid Mr. Clarry \$90?—A. Yes.

Q. Did the cheque come payable to he and you?—A. No, sir.

Q. Who did it come payable to?—A. To myself, I think.

Q. I think you are mistaken in that.

Mr. G. A. BELL.—Probably in favour of the witness and the agent of the Minister of Justice.

Q. Did you leave the cheque with Mr. Clarry to get the money?—A. No, sir.

Q. You drew the money yourself?—A. Yes.

Q. And you paid Mr. Clarry \$90?—A. Yes.

*By Mr. Carvell:*

Q. When you telephoned Mr. Clarry that Mr. Dickson and you could not agree did you tell Mr. Clarry what amount Mr. Dickson had offered you?—A. Yes, I think I did.

Q. Did you ask him to get more for you if he could?—A. Yes.

Q. And didn't you tell him if he couldn't get any more to take the amount Mr. Dickson had offered?—A. Yes, that is what I told him.

Q. Do you know whether he did try to get more or not?—A. I naturally suppose he did.

Q. Now, he didn't get any more?—A. No.

Q. Now, as my learned friend (Mr. Lennox) asked you the instructions you gave your solicitor you might tell us what did your solicitor tell you? That he could or could not get more, or that he had tried to, or anything about it?—A. I don't think he had anything much to do with that at all, this man Dickson was the man that had the settlement of the price.

Q. But did Mr. Clarry tell you that he had tried to get more from Mr. Dickson and failed?—A. I don't know.

*By the Chairman:*

Q. After you had telephoned to Mr. Clarry?—A. Yes, he did.

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*By Mr. Carvell:*

Q. He tried to get more and failed, and finally accepted the amount offered to you?—A. Yes.

Q. You said you came there in 1903. Have the waters of that river opposite your land been higher in later years than they were in previous years?—A. Well, I don't know, the land is all flat land, all but about four or five acres on the hill and I used to be able to grow a crop on it, but I can't get grain to mature there now. I really think I did not get damages enough because the land is soured farther up than I thought it was.

Witness discharged.

Committee adjourned.

## HOUSE OF COMMONS,

COMMITTEE ROOM No. 32.

WEDNESDAY, April 6, 1910.

The committee met at 11 a.m., the chairman, Mr. Warburton, presiding.

The committee proceeded to the consideration of payment of \$6,146, \$150 and \$389 *re* flooded lands in Asphodel township, Hastings village and township of Percy, as set out at pages W—22, 23, 24 and 25, Report of Auditor General, 1909.

JOSEPH H. McCLELLAN SWORN:

*By Mr. Lennox:*

Q. You are Superintendent of the Trent Waterworks at Peterborough?—A. Yes.

Q. You have charge of what district? Of the whole system?—A. Of the finished portion of the canal.

Q. And there is a permanent office and staff at Peterborough?—A. Yes.

Q. Are the claims for flooded and drowned lands put into your office usually, or always?—A. What were made direct; there was a large proportion of them made by the claimants direct to my office—to me.

Q. A large proportion of the claims for drowned lands and flooded lands made direct to you at Peterborough?—A. And a certain proportion would be sent to the department, Ottawa, by the claimants.

Q. That is all those that were not made to you?—A. Yes; and then the department would forward them to me, so they were all entered at my office.

Q. They are all entered at your office, and they are all supposed to be initiated at your office?—A. Yes.

Q. So that you have the first thing to do with them whichever way they come in, I presume?—A. Yes.

Q. Then, when a claim is made is it registered in some way at your office—recorded?—A. Yes.

Q. In what way? Entered in a book, or merely as a matter of file?—A. As a matter of file.

Q. It is of record on the file?—A. Yes.

Q. And you preserved those files?—A. Yes.

Q. And they remained in your office?—A. Yes.

Q. In reference to the claims put in by any particular person—I mean to say, for instance, Mr. Clarry, any solicitor, you have a record of those?—A. Yes.

Q. Is there a large proportion of the claims put in by solicitors?—A. About 40 per cent, I would think.

Q. Not more than that?—A. No.



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Q. About 40 per cent of all the claims are put in by solicitors?—Yes.

Q. And usually, I presume, from a solicitor in the neighbourhood of the lands?—A. Not always.

Q. I say usually?—A. Well, I might say usually. Well, yes, at Lindsay, I presume, they would be that way, and Hastings and some of Northumberland. Yes, they would be by the solicitors in those municipalities in which the parties reside, unless they had some special solicitor.

Q. That would be expected, that they would come in from a solicitor who resided in the neighbourhood?—A. In the neighbourhood, yes.

Q. That is what you would expect, and that seems to be the rule?—A. Yes.

Q. Then you can give me a statement of all the claims that were put in by Mr. L. F. Clarry?—A. Yes.

Q. You might give me that statement now?—A. I can give you the files of them.

Q. I mean just to read them off, and we may look at the files afterwards?—A. There is the file of Thomas Davidson.

Q. And they are in order consecutively, reading from the back forward?—Yes.

Q. I will read this one, which is probably similar to a great many others?—A. They are all similar.

Q. Reads:

‘HASTINGS, ONT., February 20, 1909.

‘J. H. McCLELLAN, Esq.,

‘Superintendent Trent Canal,

‘Peterborough, Ont.

‘DEAR SIR,—I have been retained by Thomas Davidson, of the Township of Asphodel, to make claim against the government of Canada for damages to his lands caused by the flooding of the waters of Rice lake. Mr. Davidson's land consists of lot No. 6, in the 2nd con. of Asphodel, and he estimates that he has about seven acres damaged.

‘Kindly give the matter your attention and oblige.’

Q. Now, when you received that claim, did you write, acknowledging it?—A. Yes; follow right on, and you will find my answer.

Q. I see that you answered that to Mr. Clarry on February 22nd, 1909, and probably we might just as well put that on record so as to have one of the claims (reads):

DEAR SIR,—I beg to acknowledge receipt of your letter of the 20th instant, in which you put forward a claim on behalf of Thomas Davidson, of the township of Asphodel, in connection with his property, lot 6, 2nd con., township of Asphodel. Our valuator, Mr. Dickson, will visit this property at an early date.

Your truly,

*Superintendent.*

That was signed by you and addressed to Mr. Clarry?—A. Yes.

Q. Next I find a memorandum to Mr. Dickson, the valuator, in which you say:—

Mr. Thomas Davidson, of the township of Asphodel, through his solicitor, Mr. L. F. Clarry, of Hastings, has entered a claim for damages to his property, lot 6; con. 2, township of Asphodel.

That is February 22nd, 1909?—A. Yes.

Q. That would be an intimation to Mr. Dickson to visit that property and do what was necessary and proper under the circumstances?—A. Yes.

Q. This would be a memorandum to you, which would be Mr. Dickson's report?—A. Yes.

Q. The originals we have on record here in the department?—A. Yes.

Q. Then there is a letter from you to the department, to Mr. Jones?—A. Yes.

Q. That would be forwarding the claim?—A. That would be forwarding the claim.

Q. And that is dated 25th March?—A. Yes.

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Q. There seems to be another memorandum from the valuator. That will do for that. Let me see another one?—A. This is John Breckenridge.

Q. Then the John Breckenridge case, that is John Breckenridge, jr., the letter is from Mr. Clarry, on the 28th January, 1909, and the same order of procedure practically obtains?—A. The same order.

Q. Then there is a letter, I see, on the 30th January, 1909, from Mr. Clarry, which I will read. (Reads):

J. H. McCLELLAN, Esq.,

Superintendent Trent Canal, Peterborough, Ont.

DEAR SIR.—I duly received your letter stating that your Mr. Dickson would visit properties around Keene on Tuesday next.

Would it not be well for him to come to Hastings and drive from here, and he could then inspect Mr. Breckenridge's property near here and work his way up to Keene in the afternoon. I believe that would be the best way for him to go.

When he goes to the Alnwick properties I believe it would be best for him to come to Hastings and drive from here right to the lots in question.

Kindly look into this and oblige,

Yours truly.

Did you answer that, do you know?—A. I don't know. If I did it is there.

Q. Yes, I presume this is it. (Reads):

February 1, 1909.

DEAR SIR,—

I am in receipt of your letter of the 30th ultimo with reference to Mr. Dickson's going to Hastings on Tuesday.

I beg to state that we have a great number of claims in the Township of Otonabee. We have arranged for Mr. Dickson to work in that township for the next few days at least. He will visit the claims mentioned in my letter to you to-morrow, but he will be able to go into Asphodel on Wednesday, as I intimated. He may be three or four days this week in Otonabee, and will then go into Asphodel.

I will advise you as to the date when he will be in the Township of Asphodel.

A. Yes.

Q. Then on the 15th February you write (reads):

With reference to the claim of John Breckenridge, which was entered at this office by you, I beg to state that Mr. John Dickson, Commissioner, has visited the property of Mr. Breckenridge, and that claimant has signed for him an agreement to accept the sum of \$60 in full settlement of all claims for damages in this connection.

The necessary release for Mr. Breckenridge to sign will reach him in due time.

A. Yes.

Q. Now, what is this?—A. That is the release that he did sign. That release comes back to me from the department here. It comes from the Minister of Justice to our department, and is then forwarded to me to put on file in regard to that claim.

Q. Give me the next?—A. James Warner.

Q. This is the same thing—a release?—A. The same, a release.

Q. James Warner's claim is dated 31st December, 1908, and you give a memorandum to Mr. Dickson the same day?—A. Yes, the very day I receive them from the claimants I make a memorandum for Mr. Dickson.

Q. Then are they sent out to him, or does he call at the office?—A. No, he called at the office, and they were always filed, the different townships.

Q. And on the same day you acknowledge the letter to Mr. Clarry?—A. Yes.

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Q. May be I am wrong about that letter; the first letter I get on file is the 31st December; that is not the letter of claim; the letter is a little further in the file, it is a letter of the 30th; the letter of claim is a letter of the 30th December, which you acknowledged?—A. Yes.

Q. And then on the 31st Mr. Clarry writes (reads):—

Your letter of the 30th is duly received herein. Mr. Warner's land is the W.  $\frac{1}{2}$  of lot 36, in the 1st concession of the township of Asphodel. The reason I did not specify those lands yesterday was that I understood from Mr. Warner yesterday that he had already given you a complete description of the property.

What is the next one?—A. Matthew Breckenridge.

Mr. CARVELL.—Are you going through all those different claims?

Mr. LENNOX.—I want to get the dates of all of them.

Mr. CARVELL.—Couldn't we shorten this by giving him a list of those names? I understand that all you want to find is the names of the persons for whom Mr. Clarry was claimant.

Mr. LENNOX.—I know pretty much who Mr. Clarry was claimant for, I think.

*By Mr. Lennox:*

Q. This is Matthew Breckenridge; is this a claim put in by Mr. Clarry? I don't see anything to show that it is?—A. No, I should say not; no letter there; no file.

Q. There is a memorandum at the back; it looks as if it might be possible he put it in himself; is that it?—A. Yes. No, this is made by Dickson, the valuator—that memorandum. That is not one of Clarry's.

Q. There is nothing to show Mr. Clarry in connection with it?—A. No. The file is there if you wish to look at it.

Q. Now, give me the next one?—A. The next one is Charlotte Birdsall. I think that is one of Clarry's. It has passed through another solicitor's hands, that claim—O'Connell & Gordon, apparently. Here is George A. L. Humphries.

Mr. LENNOX.—Yes, that is one.

Mr. CARVELL.—That is the one you are after, Mr. Lennox.

Mr. LENNOX.—Here is one making a claim. I don't know but what there are more. This is dated 16th January, this claim.

Mr. CARVELL.—What is this page in the Auditor General's Report?

Mr. LENNOX.—W—22, 23, &c.

Mr. CARVELL.—Did you put down this Mrs. Birdsall?

Mr. LENNOX.—That does not seem to be one of the claimants.

Mr. CARVELL.—There is 'G. L. Humphrey's,' all right.

Mr. LENNOX.—That was on the 16th January, and was acknowledged on the 18th January, and that is all there seems to be particular in that.

*By Mr. Lennox:*

Q. What is the next one?—A. John Sargent.

Q. That is a letter from Mr. Clarry on the 30th December, 1908, and then on the 21st January, 1909, Mr. Clarry writes to you (reads):—

Inclosed you will find an offer of John Sargent to settle his claim for \$600. Your Mr. Dickson inspected this property, but Mr Sargent would not agree to accept his offer of \$10 an acre at the time.

Kindly give the matter your attention and oblige,

Yours truly,

So that the claim in that case was forwarded to you; I mean the signed agreement was forwarded to you in that case?—A. The valuator would no doubt leave that blank with Mr. Clarry or with the claimant.

Q. With Mr. Sargent or with Mr. Clarry?—A. Well, I don't know with whom.



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Q. It was with either of them, either one of the other?—A. Yes, and if he makes up his mind to take it he would sign it and send it to the office.

Q. And he made up his mind to accept it and Mr. Clarry forwarded it as he states in his letter?—A. Forwarded it to me, yes.

Q. I will take the next one.—A. Francis Birdsall, that is an unfinished one.

Mr. CARVELL.—Did Mr. Clarry have anything to do with him?

Mr. LENNOX.—I am not sure, I do not know that he did. I will look to see if I can find that.

A. I think he sent it in.

*By Mr. Lennox:*

Q. At least here is a letter—yes, he writes on the 3rd of March, 1909 (reads):—

MARCH 3, 1909.

J. H. McCLELLAN, Esq.,  
Supt. Trent Canal,  
Peterborough, Ont.

DEAR SIR,—Mr. Francis Birdsall, of the township of Asphodel, has retained me to make application against the Dominion government for damages to his lands of Asphodel caused by the flooding of the waters of Rice lake. The lands for which I claim damages on Mr. Birdsall's behalf consist of the west half of lot 3 in the 1st concession, the west half of lot 4 in the 1st concession and the west half of lot 5 in the 1st concession, all of the township of Asphodel. Mr. Birdsall approximates that there are 50 acres damaged in the west half of lot 3; 60 in the west half of lot 4 and 90 in the west half of lot 5. I wish you would kindly let me know when your Mr. Dickson will be down to inspect these properties so that I can make arrangements to have Mr. Birdsall at home. I may state, however, that my client will be away from home every day next week except Monday and Saturday.

These lands are entirely separate from any that have been inspected by either Mr. Aylesworth or Mr. Dickson and no claim has been filed in respect thereof. Mr. Birdsall has also instructed me to ask you to forward one of your forms for offer of settlement so that I may complete same when Mr. Dickson comes down.

Kindly let me hear from you and oblige.

Yours truly,  
(Signed) L. F. CLARRY.

That you acknowledged, I presume, the next day you sent a memorandum to Mr. Dickson and then there is another letter from Mr. Clarry, on the 10th of March, which is addressed to you of course, (Reads),

March 10, 1909.

J. H. McCLELLAN, Esq.,  
Superintendent Trent Canal,  
Peterborough, Ont.

DEAR SIR,—Mr. Richard Birdsall of the township of Otonabee has called to see me in reference to damage to his lands which are flooded by the waters of Rice lake. He advises me that part of his lands have been appraised by Mr. Dickson and he feels that Mr. Dickson should allow him a larger acreage and an increased amount per acre for the lands damaged. I would like very much if you could take the matter up and if possible see that Mr. Birdsall is allowed a reasonably fair acreage and also an increased amount per acre for compensation.

Kindly look into this matter and let me know what you can do at an early date and oblige.

Yours truly,  
(Sgd.) L. F. CLARRY.

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And that you probably replied to on the 11th of March, I presume, 'I beg to acknowledge the receipt of your letter of the 10th instant.'—A. Yes.

Q. And then there is another letter from Mr. Clarry on the 18th of March—A. Excuse me, you are putting in Mr. Clarry's letters wouldn't it be just as well to put in my replies as well.

Q. It was a formal reply but I will read it if you like.—A. I think it will be better to have it in.

Q. Your reply to that was (reads):

March 11th, 1909. .

DEAR SIR,—I beg to acknowledge the receipt of your letter of the 10th instant with further reference to the claim of Mr. Francis Birdsall which has already been investigated by the government valuator, Mr. Dickson. You ask that Mr. Dickson reconsider his award in this matter and if possible to have the acreage increased and the amount per acre awarded, raised. In reply I beg to state that Mr. Dickson has made a thorough valuation of Mr. Birdsall's property and has offered him \$3,770. I have taken the matter up with him and he states positively that this is, in his judgment, all Mr. Birdsall entitled to, and consequently he will not recommend any change in his original award.

I am inclosing you herewith a copy of Mr. Dickson's memo. to me in connection with this matter which shows the position Mr. Dickson takes in regard thereto.

Yours truly,

*Superintendent.*

L. F. CLARRY, Esq.,  
Barrister,  
Hastings, Ont.

I did not read that because I do not understand there is any protest in any shape or form so far as you are concerned, and in that way I thought we might shorten the examination. I understand you have done your duty well in every respect?—A. Oh, very well, I thought it better to have the reply in. This is an unsettled claim which is pending now.

Q. On March 18th, Mr. Clarry writes again:—

J. H. MCCLELLAN, Esq.,  
Supt., Trent Canal,  
Peterborough, Ont.

DEAR SIR,—When your Mr. Dickson comes to inspect the Asphodel lands I would like to have him drop off at Birdsall's where Mr. Birdsall would meet him and take him to the land in question. Mr. Davidson's land is quite close to Mr. Birdsall so that he can stop off to advantage. We could then have a rig drive from Hastings to meet him and bring him here so that he could do his other work from this point. You might kindly write me as to this at your earliest convenience so that I can advise Birdsall in good time and oblige.

Yours truly,

(Signed) L. F. CLARRY.

*By the Chairman:*

Q. This claim is not settled yet?—A. No.

*By Mr. Lennox:*

Q. I think that will do for that claim, I just wanted to get the date of that one?—A. Well, it is adjusted by Mr. Dickson but I have never been advised by the department that his offer has been accepted. He has made his offer, and I have sent it down in the usual way but I have no advice from the department—

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*By Mr. Carvell:*

Q. Have Mr. Birdsall and Mr. Dickson agreed on the amount?—A. They have agreed, but whether the department has agreed to accept Mr. Dickson's valuation I am not yet advised, that is the reason it is not settled.

*By Mr. Lennox:*

Q. I will take the next one—A. Matthew McCarthy.

Q. I do not recollect whether that is one of Mr. Clarry's, he may not have remembered all of them—this seems to be one—then on the 6th of January, Mr. Clarry did not mention this but of course he did not have his books with him. On the 6th of January, 1909, Mr. Clarry writes:—

J. H. McCLELLAN, Esq.,  
Supt., Trent Canal,  
Peterborough, Ont.

DEAR SIR,—I have been retained by Mr. Matthew McCarthy, of the village of Hastings, to make claim for damages to his land caused by the flooding of the water of the river Trent. Mr. McCarthy's land consist of the east  $\frac{1}{2}$  of lot No. 3 in the 6th and broken lot No. 3, in the 7th concession of Asphodel. Kindly let me know when your Mr. Dickson can come to inspect this property so that Mr. McCarthy will be ready to meet him and take him over the property and oblige.

Yours truly,

(Signed) L. F. CLARRY.

And to that you replied on the 7th of January, seemingly:—

DEAR SIR,—I am in receipt of your letter with reference to the claim of Mr. Matthew McCarthy, of the village of Hastings, with respect to damage alleged to have been done to his property, the east  $\frac{1}{2}$  of lot No. 3, concession 6, and the broken half of lot No 3, concession 7, in the township of Asphodel. This matter will receive my immediate attention and will endeavour to have Mr. Dickson inspect the property in the immediate future, and will advise you as to the date Mr. Dickson can inspect the property.

I see that Mr. Dickson's report is dated on the 15th of January, so that by that time he had undoubtedly inspected it. I see something here about 'This woman's property.' I don't know what that is—A. Something got in the wrong file perhaps.

Q. I expect it is 'Mrs.' all the time, it is likely Mrs. Matthew McCarthy's claim, although it is put in by Matthew McCarthy.

*By Mr. Carvell:*

Q. That claim has not been paid?—A. No, it has not been paid.

Q. I do not find it in the Auditor General's Report.

Mr. STRATTON.—Mr. McCarthy died suddenly.

*By Mr. Lennox:*

Q. Now the next claim?—A. Here is the claim of Amos Shearer.

Q. We have a Shearer in Alnwick, this is one of them. This is dated January 26th and says:—

I beg to make application on behalf of Mr. Amos J. Shearer, of Alnwick, farmer, for damages to his land caused by flooding by the waters of Rice lake—

I need not read more of that—well, that has not been paid, has it?—A. No, there is trouble about it, the title is not correct, there is a very long correspondence about it.

Q. This is one he spoke of the other day, at all events there was a man of that name. Take the next one.—A. Francis McGuire, of the township of Percy.

Q. Yes, there was one in Percy—I think that was one he said wasn't paid, I am not sure.



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*By Mr. Carvell:*

Q. That is paid anyhow?—A. Yes, that is paid.

*By Mr. Lennox:*

Q. The letter of claim is on the 6th of February, 1909, addressed to you, and it is acknowledged on the 8th of February, instructions to the valuator were given on the 8th of February and then there is another letter from you to Mr. Clarry on the 15th of February which I don't think I need read. And then on the 13th February you forward an offer of settlement to the department?—A. Yes.

Q. The next one.—A. The next one is Richard S. McCracken.

Q. This is dated, the application claim is put in on the 1st of March, 1909, it goes through the usual routine as far as I see, and the valuation is reported on by Mr. Dickson on the 17th of March.

Mr. CARVELL.—That has been paid, hasn't it?

Mr. LENNOX.—Yes, I think so.

*By Mr. Lennox:*

Q. Is that in Alnwick?—A. This is Richard S. McCracken, of the township of Alnwick.

Q. Yes, that has not been paid?—A. No, that has not been paid, the appropriation was exhausted before we got it through.

Q. But the claim is exhausted.—A. I expect so, I haven't heard anything to the contrary, that there is anything wrong with it.

Q. Now, this claim I will read, Jan. 26, 1909, addressed to Mr. McClellan (reads):—

DEAR SIR,—I have been retained by Mr. Robert E. Sherwin, of the township of Alnwick, to make claim against the Dominion government for damages to his lands caused by the flooding of the waters of Rice lake. Mr. Sherwin's lands consist of the northwest quarter of lot No. 4, concession 1, and the southeast quarter of lot 4, concession 2, both in the township of Alnwick, and he estimates that there are about twenty acres damaged.

Kind'y give the matter your attention and oblige.

Yours truly,

(Sgd.) L. F. CLARRY.

That you acknowledged, I presume—yes, on the 22nd of February and you gave instructions to the valuator on the 27th of February—on the 26th of February the claim came in, it is acknowledged on the back on the 27th, then on the 27th you gave instructions to Mr. Dickson, and on the 22nd of February you wrote to Mr. Clarry 'I find, and I notice it is the way you usually write.—A. Yes, I always send them to the valuator, and if it is a solicitor that sent in the claim when the valuator has reported and made a settlement with the claimant I have always advised the different solicitors who put in the claim what the settlement was.

Q. So that you always keep track of the solicitor who puts in the claim?—A. I always enter that up and put it on my file.

Q. And you advised him of the progress of the matter at any necessary stage?—A. Yes.

Q. That was this kind of thing:—

February 22nd, 1909.

DEAR SIR,—I beg to advise you that Mr. Dickson visited the property of your client, Mr. Robert Ernest Sherwin, of the township of Alnwick, in the county of Northumberland, in connection with his claim for damages, and obtained from

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Mr. Sherwin an offer of settlement for \$64 in this connection. The necessary release for Mr. Sherwin to sign will reach him in due time.

Yours truly,

*Superintendent.*

L. F. CLARRY.

Barrister,

Hastings.

A purely formal letter?—A. Yes, a formal letter which is sent to all solicitors in order to keep them posted.

Q. Then you forwarded the matter to the department on the 20th of February?

—A. Yes, and the release came up. Here is Sydney Smith.

Q. Of Alnwick?—A. Alnwick.

*By Mr. Carvell:*

Q. Yes, Sydney Smith was paid \$96.—A. Sydney Smith, \$96.

*By Mr. Lennox:*

Q. This is a claim put in by Mr. Clarry, this is one he did not remember. It is dated on 26th January, 1909, and it is the ordinary claim as far as I can see.—A. Just an ordinary claim.

Q. And it goes through the ordinary process, has it been paid?—A. Not unless the release is there—it may have been paid.

*By Mr. Carvell:*

Q. Yes, it is paid.—A. Well, the release has not reached me yet, sometimes they are delayed.

Q. It is marked paid in the Auditor General's Report.—A. Well, it is a release that is likely delayed.

*By Mr. Lennox:*

Q. You get the original release, or do you get merely a copy?—A. Just a copy.

Q. And you keep that of record?—A. I keep that on record with the file of the claim.

Q. Now, this is Austin Sherwin, I think we had that one. Yes it is a claim put in by Mr. Clarry on the 26th of January, 1909. The next one, please—this is one that Mr. Clarry mentioned, a claim on behalf of Mrs. Jane V. Sriver, of the township of Alnwick, which goes through the ordinary process and has been paid, I believe.—A. The valuator says there is no valid claim, nothing has been paid.

Q. 'There are only about one and a-half acres flooded a few weeks each spring, the party has only owned it five years, and I can't see that she has any valid claim. At the most, I would not award above \$4 per acre, the land is so poor—the northwest quarter of lot 24, concession 7—March 24, James Dickson.' So that there is nothing allowed?—A. Nothing allowed.

Q. I see she made a claim for 8 acres?—A. Yes.

Q. This is a claim for Nixon Timlin, put in by Mr. Clarry on the 26th of January, and goes through the ordinary process seemingly.

*By Mr. Carvell:*

Q. And paid, too?

*By Mr. Lennox:*

Q. Is that paid?—A. Yes, paid.

Q. Then there is John Weatherup.

MR. CARVELL.—That is paid.

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*By Mr. Lennox:*

Q. And that was filed on the 25th of January, 1909. Now, the next one?—A. Thomas Williamson.

Q. The next one is Thomas Williamson, a claim put in by L. F. Clarry on the 4th of February, 1909, and put into the hands of the valuator on the 5th of February, acknowledged to Mr. Clarry on the 5th of February, and on the 15th of February you advise him of the inspection of the property and forwarded the claim to the department?—A. John O'Keefe, in the township of Otonabee, is the next.

Q. This is put in by Mr. Clarry?—A. Yes.

Q. This is not one of the claims he mentioned, I think—he did not mention the claim of O'Keefe, did he?—A. It is in Otonabee.

Mr. CARVELL.—I don't remember that.

A. It is in the township of Otonabee, down near where he lives.

*By Mr. Carvell:*

Q. John O'Keefe, did you say?—A. Yes.

Q. Yes, \$200.

*By Mr. Lennox:*

Q. Well, I think there were two we had in that township. I thought those were not paid anything. Then this is a claim put in by Mr. Clarry on the 21st of January, 1909, no doubt the usual form. The next one, please?—A. This is Fowlds & Company, of Hastings—there was a little friction in that one.

Q. That has been paid them?—A. Yes, it was paid after he had written to me refusing to take the money that was awarded.

Q. That claim was put in on March 22, 1909, by Mr. Clarry, and was referred to the valuator on the 23rd of March, and Mr. Clarry's letter acknowledged on the 23rd of March, and on the 29th of March, 1909, there was this letter from Mr. Clarry. (Reads.)

J. H. McCLELLAN,  
Superintendent Trent Canal,  
Peterborough, Ont.

DEAR SIR,—*Re* drowned lands.

I beg to inclose you agreement for settlement signed by Fowlds Co., Limited, herein. Mr. Dickson inspected this property when he was down on Saturday, and agreed to allow \$150 damages. This property is along the shore of the River Trent, in the Village of Hastings, and is quite valuable. You might give the matter your attention, and oblige,

Yours truly,  
(Signed) L. F. CLARRY.

The signed agreement came in in that case from Mr. Clarry?—A. He no doubt left it with him.

Q. We have the history of that very claim, as a matter of fact do you say it came from Mr. Clarry and he states the property is valuable?—A. It came from Mr. Clarry, but I took Mr. Dickson's valuation, of course.

Q. He states in this letter that Mr. Dickson had valued the property?—A. Yes.

Q. But of course Mr. Dickson's valuation came in there before, or was it after that?—A. Yes, it came in before it was acted on.

Q. Then on the 30th of March, probably in reply to that, you wrote, (reads):

I beg to acknowledge the receipt of your letter inclosing the offer of settlement signed by Fowlds Company, Limited, in reply I beg to state that I am returning you this herewith in order that you may have Fowlds & Company, Limited, insert herein the year 1906-7 and 1908.

A. Yes.



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Q. These are the years that are being mentioned in all these offers of settlement, and we can't make any exception in Fowlds. As a matter of fact the water may have been slightly higher in 1907 than in 1908. If you will have this offer of settlement returned to me to-morrow I will endeavour to have it reach Ottawa in time for this year's appropriations in connection with the drowned land.

A. The offer of settlement had been sent out, it was left there.

Q. And he writes back on the 30th:

Your letter of the 30th instant duly received, &c. I trust you will be able to get the matter through in time for the year's appropriation.

Then on the 30th of March you forwarded it to the department?—A. Yes.

Q. I will take the next one.—A. Then there is Mrs. Alfred Graham—I don't think that should be there, that is not one of those.

Q. Maybe not, here is a memorandum here made out by Mr. Dickson as if she probably put it in herself?—A. It was put in by her son, I think.

Q. I don't see anything to suggest there.—A. No, she had nothing there. There is Henry Humphries claim.

Q. That is not settled, and the date of that application is December 12th, 1908, and I will read this one:

J. H. MCCLELLAN, Esq.,

Supt. Trent Canal, Peterborough, Ont.

DEAR SIR,—Mr. Henry Humphries, of the Township of Asphodel has retained me to look after his interests in the question of claiming damages for his lands, and those of the estate of his brother, the late T. C. M. Humphries caused by flooding of the waters of the River Trent above Hastings. Mr. Humphries lands are lot 2, in the third, and lot 2, in the fourth concession of the township of Asphodel, and in both lots there are about 80 acres drowned. Shall I make a formal application to you, or will it be necessary for me to file our claim with the Department at Ottawa? Kindly write me and oblige.

Yours truly,

(Sgd. L. F. CLARRY.

That is on the 12th of December?—A. Yes.

Q. Then on January 6th, 1909, Mr. Clarry writes you saying: 'Will you kindly let me know what sum you are prepared to pay to Mr. Humphries in this matter and oblige.' That has not been adjusted now?—A. No, in that he wrote me, my answer to that is there.

Q. Would you like to have it read?—A. I think it will be well.

Q. I will read it if you want, I am not interested in it, however.

January 7, 1909.

DEAR SIR,—I have your letter of the 6th inst. with reference to the claim of Mr. Henry Humphries.

In reply I beg to state that it is Mr. Humphries' own fault that this matter has not been adjusted. Mr. Dickson visited Hastings with the object of making a recommendation in this regard, and he was advised that Mr. Aylesworth had made a recommendation in this connection and that Mr. Humphries was desirous of abiding by Mr. Aylesworth's recommendation. As a matter of fact, Mr. Aylesworth is a very sick man and a great deal of the preliminary work which he did has not been followed up by reason of his condition of health. Mr. Humphries appeared to be insistent on Mr. Aylesworth's valuation being accepted by him, and the matter, therefore, is left at that. Had Mr. Humphries permitted Mr. Dickson to proceed with the valuation and had he agreed to sign an offer of settlement similar to others, there is no doubt Mr. Humphries claim

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would be settled by this time. We are not in a position to state what Mr. Dickson is prepared to pay Mr. Humphries in this matter as he did not have an opportunity to value Mr. Humphries' land, in view of Mr. Humphries' anxiety to deal with Mr. Aylesworth. If Mr. Humphries is willing to accept Mr. Dickson's valuation, we will endeavour to have Mr. Dickson again visit Mr. Humphries' property, and have the matter closed up. We cannot afford, however, to lose time over this matter in having Mr. Dickson visit Mr. Humphries' place and then Mr. Humphries' place and then Mr. Humphries express a determination to deal with Mr. Aylesworth. As the matter stands now it is up to Mr. Humphries to state what he intends doing and not as to what we intend doing. Please explain this matter to Mr. Humphries.

Yours truly,

(Sgd.) J. H. McCLELLAN,  
*Superintendent.*

L. F. CLARRY, Esq.,  
Hastings, Ont.

Your position seems to be all right, as I expected it would be, we were not inquiring into that.—A. Well, I wanted to have it on record. The next is John C. Lynch.

Q. This is an important one if I remember rightly—yes, now this is a claim put in by Mr. Clarry on the 3rd of February, 1909 and asking to have it inspected at the earliest possible opportunity, and you acknowledged that on the 4th of February, and you put it in the hands of the valuator on the 4th of February, and you advised Mr. Clarry on the 15th of February—the valuator makes his return to you on the 13th of February, you forward it to Ottawa on the 13th of February. Is that claim paid?—A. Yes, the release is there.

Q. There is some correspondence here about it—some difficulty about the title, was there?—A. I don't know—if you will allow me to look at it, just to see what the letter says, I can tell you.

Q. I don't know that there is anything we need interest ourselves in here; there is a letter you say to you, the valuator was down to inspect it?—A. The west half of lot 3, there was a mistake in regard to that as a result of which I had to send the valuator down to straighten it out before it went down to the Minister of Justice.

Q. There is a special letter there of Mr. Clarry's which I think I might read in order to have it on the record. Mr. Clarry says:—

APRIL 1, 1909.

J. H. McCLELLAN, Esq.,  
Superintendent, Trent Canal,  
Peterborough, Ont.

DEAR SIR,—Adverting to our conversation over the telephone this afternoon I beg to state that Mr. John C. Lynch, of the township of Asphodel, has retained me to make claim for damages to the west half of lot No. 4 in the 6th concession of the township of Asphodel, caused by the flooding of the waters of the River Trent. Your Mr. Dickson inspected the west half of lot No. 3 in the 6th concession when he was down last winter, but this parcel of land has never been looked at. I trust you will be able to have Mr. Dickson come down at an early date and as this property is only about two miles from Hastings he can conveniently come down on the afternoon train and go back at night. If you let me know in time I could have Mr. Lynch meet him at the station here and drive him to the place in question.

Kindly let me hear from you and oblige.

Yours truly,

(Sgd.) L. F. CLARRY.

Then the letter that I took to be the letter of claim of the 3rd of February is

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evidently something, it seems to be an application too. The letter of the 3rd of February says:—

DEAR SIR,—I beg to make application on behalf of Mr. John C. Lynch, of the township of Asphodel, for damages to this land in said township caused by the flooding of the waters of the River Trent. Mr. Lynch's lands consist of the west half of lot No 3 in the 6th concession of Asphodel and I would like your Mr. Dickson to inspect same at his earliest convenience and oblige.

Yours truly,

(Signed) L. F. CLARRY.

How is it that there are two letters?—A. I didn't understand that there were two. But I expect that he was anxious about them. We have a great many duplicate letters on these matters—here is another Lynch, and still another.

Q. Is there, I didn't know that. This is a claim on the 29th of May put in by Mr. Clarry for Mr. Thomas H. Lynch of Hastings. We were dealing with the case of Thomas H. Lynch?—A. Yes.

Q. A claim put in on the 29th May by Mr. Clarry, acknowledged by you on the 31st, and submitted to the valuator on the 31st. On the 4th June the valuator appears to have made his return and you forwarded it on that date to Ottawa. Now we will take the next one?—A. The next one is another Lynch, F. H. Lynch, township of Asphodel.

Q. On the 21st December, 1908, there is a letter from Mr. Lynch, per K.O.B., I think it is?—A. Yes, apparently.

Q. To the Hon. George P. Graham. That seems to be a claim?—A. That is a claim that he put in.

Q. Individually?—A. Yes. Then that was forwarded.

Q. That was forwarded, was it?—A. To me, I think. Is there not a letter from Mr. Jones?

Q. Yes. There seems to be a letter on the 28th November, 1908, from Mr. Jones to you?—A. Yes.

Q. In reference to this claim?—A. Yes.

Q. There is a latter dated 19th December, 1908, from Mr. Clarry to you?—A. Yes.

Q. And he says (reads):

DEAR SIR,—Confirming my telephone message to you the other day, I beg to state that I have been retained by Mr. M. F. Lynch, of the township of Asphodel, to look after his claim against the government for damage to his lands in the township of Asphodel, caused by the flooding of the River Trent. Mr. Lynch's property is composed of the east halves of lots 1 and 2, in the 2nd concession of the township of Asphodel. Kindly give this matter your attention, and oblige,

Yours truly,

(Sgd. L. F. CLARRY.

Is that in reference to the same property?—A. The same property, I think, as the other.

Q. And he says: 'Confirming my telephone message to you the other day.' He had telephoned to you?—A. He had telephoned to me that he had been acting in the matter.

Q. That was the 19th December. On the same date you forward to Mr. Jones an offer of settlement?—A. Yes.

Q. That was on the same day?—A. Well, I presume so, but I advised Clarry that day, too.

Q. Probably you did, I will come to that in a minute. On the 19th December, the same day, and there is a valuation, or certificate, or whatever you call it, by Mr. Dickson?



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Mr. CARVELL.—Are you now at Henry Humphries' claim?

Mr. LENNOX.—No. We are at M. F. Lynch's.

The CHAIRMAN.—We have had two Lynches.

*By Mr. Lennox:*

Q. On the 23rd there is a letter from Mr. Jones to you. You are speaking of acknowledging that letter, but I do not see any letter from you acknowledging Clarry's letter. That is a claim that was paid?—A. That is one that was paid.

Q. Now we will take the next one, please?—A. The next one is Adam Humphries.

Q. That is dated 28th December, a claim put in by Mr. Clarry on the 20th of December. On the 29th it is referred to the valuator, and on the 19th January the claim is forwarded by you to the department?—A. Yes.

Q. On the 30th of January, Mr. Clarry writes to you as follows (reads):—

DEAR SIR,—Mr. Adam Humphries was speaking to me in reference to his claim for drowned lands which was adjusted by your Mr. Dickson about two weeks ago. He was allowed damages for 92 acres, and when he signed the agreement for settlement he understood that it was based on land damaged by the water at the summer level of the year 1908. If so, Mr. Humphries is entitled to damages for at least 15 acres more, as during the high water there are other parts of this land absolutely inaccessible except by boat. Kindly write me as to this, so that we may if possible have the matter rectified before it goes to Ottawa.

It might possibly be well for Mr. Dickson to look at the property again when he is down here next week. Please, therefore, write me and oblige.

Yours truly,

(Sgd.) L. F. CLARRY.

Q. Would you look and see whether there is any answer to that?—A. Is there any answer to that?

Q. I don't think there is.—A. That was January 30th.

Q. Yes?—A. And on January 18th I had sent this offer of settlement forward to Ottawa.

Q. Yes.—A. I came to the conclusion he had signed the offer and it had gone and it would be sent back in the usual way for discharge. If not, there would be some reason given to the Justice Department and then it would come back to me.

Q. So that you did not really do anything in it?—A. I had already forwarded the papers and I could not.

Q. But he speaks there in that letter, he says there it had been adjusted, or at least forwarded two weeks before, or valued two weeks before?—A. That was the reason.

Q. At that time, the 30th of January, Mr. Clarry, as you know, had a good many claims in before the government?—A. I know.

Q. They had been passing through your hands, a number of them?—A. They only passed over those claims, I would never see them again, unless there was a flaw in the title, or for some reason it was necessary to send it back.

Q. And if there was a flaw in the title, what then?—A. Mr. Clarry would report it to the Minister of Justice.

Q. Would he report it to you?—A. The Minister of Justice would send it to our department, and our department at Ottawa would send it to me to have it straightened out.

Q. At that time you knew he had sent in quite a lot of claims?—A. Certainly.

Q. And you knew that he was also looking after the titles of a number of the claimants for the government?—A. I only knew that he was looking after those that were defective.

Q. You knew he was looking after some?—A. Yes, wherever there was a defec-

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tive title, or where there was any reason, when a man would not sign his release or something of that it was referred to me.

Q. That seems to be the evidence, and the correspondence has fully shown it. How many claims did he investigate for the government, you wouldn't know that?

—A. I wouldn't know that, in fact I had a great deal of difficulty at times in finding out who was acting.

Q. You knew he was acting for some?—A. I knew he was for some, because they were coming back to me from time to time.

Q. They came back to you occasionally?—A. Yes.

Q. Now, take the next one, J. Johnson, of Alnwick, that is a claim that is put in by Mr. Clarry on the 26th of January, 1909, and it was acknowledged on the 27th of January by you to him and was put into the hands of the valuator on the 27th of January?—A. Yes.

Q. And on the 22nd of February, you advised Mr. Clarry that the valuation had been made?—A. Yes.

Q. And that it was ready for closing, and on the 20th of February, you inclosed the agreement to the department at Ottawa?—A. To Ottawa. The next claim is John Hogg, of Alnwick.

Q. This is one we didn't hear of before, and this is on March 22nd, 1909, I will read this one as we haven't any other knowledge of it. (Reads):—

HASTINGS, ONT., March 22, 1909.

J. H. McCLELLAN, Esq.,  
Superintendent, Trent Canal,  
Peterborough, Ont.

DEAR SIR,—Mr. John T. Hogg, who is now living at the village of Borden, in the province of Saskatchewan, has written me in reference to land formerly owned by him in the township of Alnwick and which was flooded by the waters of Rice lake for a great number of years. Mr. Hogg sold these lands to the government a short while ago to be held by them for the Indians so that they now form part of the Indian reservations in the township of Alnwick.

Is there any Indian reservation there?—A. Yes.

Q. (Continues reading):—

He sold these lands at a very low figure on account of the damage caused to the same by reason of the said flooding or drowning. He would like to know now whether or not it will be possible for him to get anything for the loss he sustained during his occupation of the said lands and also by reason of selling it at a low figure. Will you kindly let me know whether or not there is any chance to recover anything and oblige.

Yours truly,

(Signed) L. F. CLARRY.

That was appealing to you on a tender spot?—A. Yes.

Q. Would you like me to read your reply?—A. Oh, yes.

Q. I presume it will be all right. (Reads):—

March 23, 1909.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 22nd inst., with reference to the claim of John T. Hogg, whom you state is now living in the village of Borden, in the province of Saskatchewan. I do not think it is possible, under the circumstances, for Mr. Hogg to recover any compensation in the matter. However, you might advise me as to how long ago the lands were sold to the department, how many acres the farm consisted of, and the price per acre. You might also advise me as to whether or not there was any stipulation in the deed of conveyance setting out that Mr. Hogg was to receive any com-

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pensation that might have been due from the government for damage to the said property.

Yours truly,

*Superintendent.*

L. F. CLARRY, Esq.,

Barrister,

Hastings, Ont.

That seems to be all the record you have on it?—A. That is all because it went no further, he did not furnish me with the information and I did not bother with it any more. There are always a lot of claims filed that are not persisted in.

Q. I will take the next one now.—A. This is William Harvey.

Q. I don't think we had this before. This is dated the 21st January, 1909, it is a claim put in by Mr. Clarry for compensation for William O. Harvey, of Alnwick, it was acknowledged by you on the next day, the 22nd January, 1909, was put in the hands of the valuator on that same day, and on the 15th February you gave the usual notification to Mr. Clarry that the property was valued, and on the 13th of February the valuator put in his certificate, a day or two before the letter was written. On the 13th February also you forwarded the claim to Ottawa?—A. Yes.

Mr. CARVELL.—There was nothing came of that Hogg claim?—A. No, there are just the two letters with regard to that.

*By Mr. Lennox:*

Q. The John E. Curtis claim is also from Alnwick?—A. Yes.

Q. That is on January 21, 1909, application was made by Mr. Clarry, it was acknowledged on the 22nd of January, 1909, put into the hands of the valuator on the same day, the 22nd of January, 1909, and then you notified Mr. Clarry of the valuation on the 22nd of February, 1909, and that an offer of settlement had been obtained; you forwarded the claim to Ottawa on the 20th of February; the valuator's certificate is dated the 20th of February, and that claim was paid. I think, you said?—A. Yes.

*By Mr. Carvell:*

Q. \$400?—A. \$400.

*By Mr. Lennox:*

Q. Was there some trouble about this, do you remember?—A. Apparently so, but I would have to look over these papers to see.

Q. I will just look over these papers a little.—A. There was some trouble about the title, there is a letter there from Mr. Jones that I guess would explain it.

Q. There is a letter from Mr. Jones which would explain it, perhaps?—A. Yes.

Q. We will read Mr. Jones' letter (reads):

OTTAWA, June 17, 1909.

SIR,—Referring to the agreement that has been obtained from Mr. John Curtis in settlement of his claim for compensation for damages to the S.W. 3 acres of lot 4, concession 11, and lot 5, concession 11, township of Alnwick, caused by the waters of the Trent canal. I have to say that the department is in receipt of a communication dated the 14th instant, from the Department of Justice, with which they transmit a report from their agent having charge of the case, from which it appears that the claimant is not the owner of any part of lot 4 in the



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2nd concession. I inclose the file and have to request you to be pleased to furnish the department with a further report from the valuator in the matter.

I am, sir, your obedient servant,

(Sgd.) L. K. JONES,  
*Secretary.*

J. H. McCLELLAN, Esq.,  
Superintendent, Trent Canal,  
Peterborough, Ont.

A. That would be their agent, they don't say whom.

Q. They do not say whom?—A. I presume their agent would be the present Judge Huycke, of Peterborough.

Q. And there is a further report?—A. Yes.

Q. Then on the 18th of June there is a memorandum?—A. That is a memorandum Mr. Dickson sent.

Q. I took it to be, but it is not signed. On the 19th of June, next day, you wrote to Clarry respecting the claim of John E. Curtis?—A. I wrote to him as he was solicitor, the claim had come in through him.

Q. The claim had come in through him and of course, as you say, you kept a record of it?—A. Yes.

Q. There is also a letter here from John E. Curtis, I don't know whether you have any recollection of it. I don't know who it is to.—A. It is to Dickson, is it?

Q. It looks like Roseneath.—A. Roseneath is the place where it is dated, where he lived.

Q. Then you write to Mr. Clarry again on the 3rd July, in which you say:—

DEAR SIR,—You have not replied to my letter of the 19th June last with reference to the claim of John E. Curtis.

A. Yes.

Q. That is a letter in which you call his attention to a defect in the title.—A. A defect in the title.

Q. And then on the 5th July he writes and says (reads):—

*Re DROWNED LAND,*

JOHN E. CURTIS,  
Claimant.

DEAR SIR,—I wrote to this man the day after I was talking to you in your office in Peterborough. I am writing him again to-day, and just as soon as I hear from him I shall advise you.

Yours truly,

(Sgd.) L. E. CLARRY.

A. Yes.

Q. Mr. Clarry speaks there of having had a conversation with you in your office?—A. Yes.

Q. You recollect that, do you?—A. No. I don't recollect it. I had too many conversations to remember. I endeavour to carry everything there (pointing to file) not in my head.

Q. I think you have done it exceedingly well. As far as I can see it you have done it in a very orderly way. You have no recollection of any particular conversation with Mr. Clarry?—A. No.

Q. You recollect having had some conversation with him about business matters from time to time?—A. I recollect this way: that occasionally when he came to Peterborough he would come into the office and ask me something about a claim. I would invariably say, 'Now, Clarry, put that down in writing. I don't do business on talk. I can do enough of talking, but I don't do business on talk; I want it there.'

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Mr. LENNOX.—That is a very good plan, I think.

The CHAIRMAN.—It is, on government business.

*By Mr. Lennox:*

Q. Then he says he is writing you again, and that is on the 5th July. The next thing here is a letter from Mr. Jones.—A. What did Mr. Jones say about that?

Q. It bears out what you say, Mr. Huycke seems to be the party acting.—A. And probably Mr. Huycke got it straightened out.

Q. (Reads):—

SIR,—Referring to the departmental letter addressed to you on the 17th inclosing for report from the government valuator a letter dated the 14th ultimo from the Department of Justice relative to the claim of John E. Curtis for compensation for damages to the S.W. 3 acres of lot 4, concession 11, and lot 5, concession 11, township of Alnwick, caused by the waters of the Trent canal, I inclose herewith a letter dated 28th ult., from that department covering a further report dated 20th ult., from the agent, F. C. Huycke, K.C.—

That is Mr. Huycke, you see?—A. Yes. Mr. Huycke, of Peterborough.

Q. That is as far as we are concerned in it, I think now?—A. Yes.

Q. That claim was paid, was it?—A. Yes.

Q. Now, give me another one.—A. George Brown, township of Alnwick.

Q. This is dated 20th February, 1909, the claim of George Brown put in by Mr. Clarry. Was this claim paid or not?—A. Paid. Here is another paid claim (Andrew Cameron). There was some correspondence in that claim about the title.

Q. This was put in by Mr. Clarry on the same date, 20th February, 1909.

Mr. CARVELL.—Whose claim is it?

Mr. LENNOX.—It is the claim of Mr. Andrew Cameron, of Percy.

Mr. CARVELL.—That has been paid—\$25.

*By Mr. Lennox:*

Q. Here is a letter of the 19th August, 1909, which I wish to read (reads):

B. 1548.

Deputy Minister of Justice,  
Ottawa, Ont.

DEAR SIR,—*Re* Trent Canal. (No file number given.)

In investigating Mr. Cameron's title to this land, I find his offer of settlement has reference to the northwest quarter of lot number 11, in the 11th concession of the township of Percy, whereas his deed covers the north quarter of lot number 12, in the 11th concession of Percy. I saw Mr. Cameron to-day, and he says that at the time his claim was filed he did not have his title papers before him, and gave a wrong description in error. This property is close to Hastings, and I know it very well. There is no doubt but that the property described in Mr. Cameron's deed is the property inspected by the government valuator, Mr. Dickson. Mr. Cameron gave me permission to change the offer of settlement to cover the proper land, but I thought it better to write you for instructions. Should I return the papers to you and have the property re-inspected? I have no hesitation in saying that this would be quite unnecessary on account of my personal knowledge of the property. However, I will await your instructions, and oblige.

Yours truly,

(Sgd.) L. F. CLARRY.

This letter is simply accounting for an error?—A. An error in description.

Q. Give me the next one?—A. Here is Patrick Crowley.

Q. That claim was put in?—A. That is not paid.

Q. That was put in by Mr. Clarry on the 13th February, 1909. Do you say that is not paid?—A. I think that is not paid.

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Mr. CARVELL.—What is the township?

Mr. LENNOX.—I think it is the township of Asphodel.

Mr. CARVELL.—From the papers, it is evidently not paid.

*By Mr. Lennox:*

Q. Give me the next one.—A. That will be in the same position, Patrick English.

Q. We were told the other day it wasn't paid—Mr. Patrick English, of Percy, and that is on the 3rd of March it was put in, it would not be paid.—A. Here is another claim of Mrs. William Dunnett.

*By Mr. Carvell:*

Q. Patrick English, \$56; that is paid?—A. Well, the release hasn't come up.

*By Mr. Lennox:*

Q. The 3rd of March is the offer, this one here the 16th of January, 1909, that is the claim; Mr. Clarry puts in the application for Patrick English, and on the 3rd of March, 1909, he writes Mr. McClellan (reads):—

I beg to inclose you the offer of Patrick English, of the township of Percy, to settle his claim for damages to drowned lands for the sum of \$56; Mr. Dickson has approved of this award, and I trust you will give to the matter your prompt attention and oblige.

A. That is right.

Q. That settlement then came directly through Mr. Clarry?—A. Apparently Mr. Dickson would leave this in Mr. Clarry's office to get it completed if there was some kick about it as they usually did in such cases.

Q. They would come in also from other offices?—A. They came in from other solicitors, I used to get them from every one.

Q. My object is to show Mr. Clarry's connection with it; I have no objection to Mr. Clarry any more than any one else.—A. No, the other solicitors have all done it on the same grounds. There are 650 claims in, and I have a few there in another box that I just picked out.

Q. I don't think we want them particularly. Is this all you have now in connection with that?—A. I think so.

Q. These are all the papers you have in connection with Mr. Clarry?—A. That is all, unless in going over the files, the way they are filed, that I have left out or missed one or two, but I think I have them all.

Q. Here is one, Mrs. William Dunnett, where does that come from?—A. I just handed that over.

Q. I didn't deal with that, the claim was put in on the 8th of March, but nothing arose out of that.—A. No, she would not sign off for all time.

Witness retired.

Committee adjourned.



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HOUSE OF COMMONS,  
COMMITTEE ROOM No. 32.

THURSDAY, April 7.

The Select Standing Committee on Public Accounts met this morning at 11.15 o'clock a.m. Mr. Kyte, presiding, and proceeded to the further consideration of a payment of \$6,146 to persons in Asphodel county as set out at W-22, a payment of \$389 to parties in the township of Percy as set out at W-23, and a payment of \$150 to Fowlds & Co., Hastings village, as set out at W-23, Report of the Auditor General, 1909, in connection with the flooding of lands.

The examination of Mr. J. H. McCLELLAN resumed:

*By Mr. Carvell:*

Q. When were you appointed superintendent of the canal?—A. Just six years ago.

Q. And all of these claims for drowned and flooded lands have arisen and been adjusted since you have been superintendent?—A. They have not arisen during that time. Some of them have been standing for about forty years.

Q. When I use the word 'arisen' I mean they have been presented to the department in a special form?—A. Since I have been appointed the government has determined to compensate the claimants for the damage to the land.

Q. In what manner have these claims been treated by your department? Just describe it generally?—A. Well, the claimants themselves would either write me or call upon me and state that they had damage to their property there, flooded land from the water of the Trent canal, high water. They would give me the number of their lot, and concession and township. On receipt of that I would tell them I would have the valuator examine into it as soon as possible. On receipt I made a memorandum for the valuator, Mr. Dickson, that Mr. So and So had called, or at least, had put in a claim for damage to his lot, number so and so, whatever township it was. Then I kept those townships separate so that he could visit a number of them and would not have to—you see there was a matter of say 75 miles of driving from one end to the other—so that when he went into the township of Asphodel, he would have all Asphodel: or when he went into the township of Smith he would have all Smith.

Q. No matter about that. After he made his investigation, what then?—A. After he made the investigation he had a form of an offer of settlement that he took from the claimant setting forth what he had claimed and what he was willing to accept and agreeing to sign further papers if the government accepted his offer.

Q. And what was done with that?—A. That was sent to the department at Ottawa.

Q. And then was it sent to you?—A. It would come to me, yes.

Q. It would come to you in every case?—A. It would come to me in every case.

Q. That was the offer of settlement?—A. That was the offer of settlement.

Q. And you sent it to the department at Ottawa?—A. I sent it to the department at Ottawa with Mr. Dickson's report on the property.

Q. What then?—A. They considered this at Ottawa. They considered the offer and then asked for—

Mr. LENNOX.—Had you not better leave that?

*By Mr. Carvell:*

Q. Do you know where it went after being considered by the Department of Railways and Canals, do you know what was the next procedure?—A. The next procedure was to get the order in council to pay it.

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Q. And then it went to what department?—A. Then it went to the Department of Justice.

Q. And what then?—A. The Minister of Justice sent it to the department's agent in the locality.

Q. For what purpose?—A. To search the title and sign a release.

Q. And when that was done?—A. Then they applied to the department for a cheque payable to the claimant and the Minister of Justice's agent jointly.

Q. Now, so far as you have any personal knowledge was it the invariable custom of the Department of Justice to issue cheques jointly in favour of the claimant?—A. Always.

Q. And you have that knowledge yourself?—A. I have it because I have seen the cheques, the different cheques in different localities to different agents of the Minister of Justice.

Q. And how many solicitors would you think were employed by people all along that canal to prosecute these claims?—A. About fourteen.

Q. I suppose in many different villages and towns?—A. Yes, all along from Port Hope to Lindsay, including Peterborough.

Q. And was the same mode followed out as far as you are concerned with all the different solicitors?—A. Just exactly the same principle, no difference.

Q. I suppose it would not be going too far to say that these solicitors were all trying to get as much as they could for their clients?—A. Certainly. That is what they are employed for.

*By Mr. Lennox:*

Q. What is that you said?—A. The solicitors were always trying to get as much as they could for their clients.

*By Mr. Carvell:*

Q. Did you ever attempt to induce them not to go to a solicitor?—A. Any more than if they came to me to enter their claim, some of them said, 'Had I better go to a lawyer in this?' I said, 'if you have any money to waste get them, but you won't get one d—cent more.' That was my invariable reply. That was always my answer to them.

Q. Now, it seems, Mr. McClellan, that a great number of these claims have sprung up within the last five, six or seven years?—A. Yes.

Q. Can you explain why that is?—A. Well—

Q. In the first place, is there any difference in the height of the dam at Hastings from what it has been for a great many years?—A. No. Not in the dam, but there has been a difference in the height of the water maintained at that dam.

Q. Explain how that could be and the cause of it?—A. The policy of my predecessor there, the man who had charge of it, was in the spring he had his stop logs all along the canal, from one end to the other, taken out. He kept them out until the spring freshet was over. Then when the water got to what you call normal he had the logs replaced.

Q. Just explain to me what you mean by those stop logs, why they were instituted and when they were put there?—A. They were put there in the dam at Hastings; I don't know when it was built, but it must have been 35 years ago, and rebuilt again perhaps 12 years ago.

Q. Yes.—A. Well, that was one dam. Take the Hastings dam, that would affect all the dams north of it, such as Peterborough, Lakefield, Young's Point—the whole canal system. Then in the summer time the water would evaporate and would be continually lowered; it was not held back on these farms. But when I came—

Q. Before you come to that?—A. Yes.

Q. After you became in charge of the canal were there any works constructed anywhere up the river by which you could conserve or hold back more water than

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could have been held prior to your taking charge?—A. Away north, that is on the Gull river and Burnt river what we call our reservoir waters, we have spent a considerable amount of money. We took over from the Ontario government all the dams and slides, and booms in the north country. Then we have rebuilt some of them in concrete, some of them in timber, and we have conserved the waters in that north country so that instead of having it come down in the spring we allow it to come down in July and August, getting a steady flow the whole year.

Q. That is at the head waters?—A. That is at the head waters.

Q. Then all the way down at these different places you have spoken of, Hastings, Lakefield, Peterborough, you have adopted a different policy from what was previously followed? That is, you keep the stop logs in?—A. Put them in at high water, when it begins to recede, and put our stop logs in to hold that water.

Q. Then to put it in one sentence your general policy since you had charge of the canal and the dams is to conserve, to hold back all the water possible at every point?—A. At every point.

Q. Now, what has been the result?—A. We had 44,000 cubic feet a minute passing Peterborough on the Otonabee river six years ago; this year there is 118,800 cubic feet.

Q. What year are you speaking about now?—A. Now, this year.

Q. Is that in the freshet?—A. No, that is the minimum flow at the lowest time of the year.

Q. You are speaking about 1910 now, or 1909?—A. 1909 and 1910, that carries us over the winter, February is one of our low months, and September there is low water.

Q. And with that explanation you say you had how much minimum flow?—A. We had 118,800 cubic feet this year.

Q. That is very nearly three times as much as you had six years ago?—A. Pretty nearly three times as much as we had six years ago.

Q. Is that due to conservation, or is it due to any other cause?—A. It is due to conservation.

Q. That being the case, would that have anything to do with the flooding of the lands along the banks of the river?—A. Certainly, it had; it raises the river and makes the river full, and it affected really the feeders of the river more than the river itself, because the water could not get out of the feeders.

Q. Can you give us any figures regarding the navigation of the river and the canal itself that will show that the water has been higher since this conservation policy has been carried out than it was previous to that?—A. Well, the greatest proof of it is that the canal was originally constructed, or intended to be built with a six feet depth on the sill of the locks; after conserving the water for two years Mr. Butler, in all the new part of it, when letting contracts, provided for 8 feet 4 inches on the sill.

*By Mr. Lennox:*

Q. Will you repeat that, please, I did not catch it?—A. Originally the canal was intended to be a six foot canal on the sill at the lock-gates, but after two years conserving the water Mr. Butler was satisfied that there was sufficient water to have it 8 feet 4 inches on the sill.

Q. That is the lock sills remained the same but the water is that much higher?—A. Yes, the water is that much higher.

*By Mr. Carvell:*

Q. And any new work that has been done since that the contracts for it have been let on that basis?—A. All new contracts between Peterborough and Hastings have been let on the basis of 8 feet 4 inches on the sill and 9 feet in the reaches.



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*By Mr. Lennox:*

Q. Are you speaking of building the locks or the construction of the canal?—A. Of construction of the canal, we are opening up several new sections and all the contracts are let on that basis.

*By Mr. Carvell:*

Q. And that is the result of your new policy of conservation?—A. That is the result of that policy.

Q. Coming down to the Hastings dam, as I understand it, it is the back flow of the Hastings dam that causes the flooding of land in Asphodel and other townships?—A. It is in all that vicinity.

Q. But you say the Hastings dam is no higher to-day than it was six years ago?—A. No.

Q. Now, will you explain how, if that is the case, this conservation which you have described here could cause any more back flow from the Hastings dam to-day than it did six years ago?—A. If you have 44,000 cubic feet a minute running into Rice lake, and if you are letting that out of Rice lake and you are not holding that head up, then the water will be low, but if you hold that head up on that dam to 8 feet 6 inches and you have enough water coming continually to keep it up to 8 feet 6 inches on the average, it is going to back up that water in that lake and river for 40 miles up to Peterborough.

Q. That is perfectly possible from your hypothesis, but, as a matter of fact, does it keep the water up to 8 feet 4 now when it only used to keep it up to 6 feet?—A. It certainly does.

Q. As I understand it, prior to your conservation policy there wasn't sufficient water coming down in the summer time to keep the dam full at Hastings?—A. No, it wasn't full; it was always low.

Q. And now it is always full?—A. It is always full.

Q. If that be true, it will back the water up, and the difference between the elevation at the dam six years ago and now——?—A. Yes.

Q. How much will that amount to?—A. It will amount to fully two feet.

Q. Then two feet will represent the back flow over the land of the different parties along the river?—A. Yes; and when you raise that river two feet any other stream running into it will be affected also. Take a river like the Ouse, the waters of that stream when it struck the water coming down the Trent would be held back longer in the season by virtue of the fact that the water in the Trent river was high, and where land that after the spring freshet would be flooded, would be good afterwards for pasture, and sometimes, in a season like this, when we have an early season, you might get on the land to use it later in the season.

Q. That was prior to your raising the water?—A. Yes, but now there is a lot of this land that the water remains on, and it is destroyed even for pasture, although it may be along in September and October used for that purpose.

Q. When you are speaking about the results of raising the water upon the land, are you speaking hypothetically or are you speaking from actual experience?—A. Well, I am speaking from what I have seen along the river.

*By Mr. Lennox:*

Q. What river do you know about?—A. I know all along the river, the Hastings river.

Q. Do you know anything about the Ouse?—A. No, I can't say that I have seen it on the Ouse, but on the Trent, the Otonabee and other rivers I have.

*By Mr. Carvell:*

Q. And anybody would know that the result is the same, provided the levels are the same on the Ouse as on the Otonabee and other rivers?—A. It affects them all.

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*By Mr. Lennox:*

Q. It is just a question of how the Ouse was before?

*By Mr. Carvell:*

Q. If the raise of two feet would affect the levels on the Ouse, it would affect the land on the banks of the Ouse?—A. Yes, it does affect them; take the Buckhorn dam, away back in Emily, it is the same way; it holds the water back on all the creeks; that is a fact; we know it.

Q. Yes, I think so. Now, I want you to speak, if you can, from your personal experience along the Trent. We know that lands have become flooded for a greater period during the summer since the conservation policy has been adopted than they were before that?—A. I know that they have been.

Q. Well, now, in the settling or arriving at the damages to those lands, did you admit that a man had a right to damages even if his lands were not drowned or covered with water during the whole year?—A. Certainly. I did not make the valuation, but I am quite confident the valuator will tell you that.

Q. I am speaking about the policy. You say that the policy was that?—A. The policy was to pay a man for the damages to his land from flooding.

Q. Even if the land were flooded only for a portion of the year?—A. Yes, if it were not drowned. If it were drowned water would be on it the whole year, but we paid for flooding.

Q. I think you have already explained, and you might put it a little plainer if possible, that before your water was backed up some lands might be flooded actually for a short time in the spring of the year?—A. Oh, it always was.

Q. And that did no harm?—A. Not so much harm.

Q. But if the flooding lasted down until say the first of July, what would you say then?—A. Well, it would be practically that there was no crop, you could certainly not get any crop in on it, and the grass was virtually killed, so that a man would lose the benefit of his land.

Q. And in a case like that it was the policy of the department that a man should be allowed reasonable damages?—A. Reasonable damages, yes.

Q. And that was left with Mr. Dickson or any other arbitrator to settle what was reasonable damages?—A. That is right.

Q. Now, is there anything else, Mr. McClellan, you would like to refer to?—A. You didn't refer to Mr. Fitzgerald's valuation.

Q. I do want to take that up.—A. I thought I would like you to put that in.

Q. I would have thought of it before I got through. Were there any complaints or statements made to you at that time during the valuation of these lands, which led you to doubt or question the accuracy of Mr. Dickson's valuation?—A. Yes. I had a great many complaints at the time there about his valuations.

Q. From what class of people?—A. From the people whose lands Mr. Dickson had valued and whom he settled with. They claimed that—

Q. What was the nature of the complaints? Had he given them too much or too little?—A. That he was not allowing them enough was the invariable complaint.

*By Mr. Lennox:*

Q. You never had a complaint to the contrary?—A. No.

*By Mr. Carvell:*

Q. Well, what did you do?—A. I engaged another surveyor. Not that I had any doubt whatever of Mr. Dickson's honesty, but I thought that for my own satisfaction and the satisfaction of the minister it would be nothing but right that I would have Mr. Dickson's part of this work checked up to see that he was doing really fairly with the farmers.

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Q. Yes?—A. And there was a Mr. Fitzgerald who works for the Ontario government came home. He lived near me and I went and saw him and told him that I had a little work that I would like him to do. I didn't want him to let Mr. Dickson know because I didn't want to hurt his feelings in the matter, nor I didn't tell Mr. Dickson that Mr. Fitzgerald was going to re-value any of these properties. So I engaged him not only to go and see this property but to survey it, take his chain and measure it. I gave him some fifteen claims and he went with his men and re-valued these properties. These fifteen properties. I think it was fifteen I gave him.

Q. Just look at that please (handing witness documents) and see if that claim was the result of Mr. Fitzgerald's examination.—A. Yes, it is the result (after examining documents). This is the comparison I sent down to the department at that time.

Q. Before sending for Mr. Fitzgerald, did you tell him or in any way lead him to understand what Mr. Dickson's valuation was?—A. I did not.

Q. Did you take any means to keep it from him?—A. The only means I kept it from him, I told him that I did not want him to know. I said: 'I want your own valuation on this.' I wanted to know whether he would value that property about the same as Mr. Dickson, if he were doing the matter honestly between the government and the farmer. I engaged him on that understanding, and I gave him no information whatever.

Q. Afterwards he came back and sent in his report?—A. He gave me his report and I took the report and compared it and sent it to Mr. Butler, with a letter stating that Fitzgerald did not know Dickson's valuation, and that Dickson did not know that Fitzgerald had been engaged on the matter; that the two men were so close that the department might think there was collusion between them, but I assured Mr. Butler that it was an independent valuation of the two men.

Q. Now, I want you to give me the result of the valuation of these 15 claims in general terms. Take Mr. Dickson's valuation and then Mr. Fitzgerald's. Well, Charlotte Birdsall—

Q. Give Dickson's valuation first?—A. I have got Fitzgerald's first.

Q. All right, give Fitzgerald's first?—A. \$1,090 is Fitzgerald's valuation, Dickson's \$650. Francis Birdsall—

Q. Perhaps you will give us the acreage in each case, too, it won't take you very much longer. Just before the amount give the acreage?—A. Birdsall's was Mr. Aylesworth's valuation, that was not Dickson's.

Q. Then we won't bother about it.

Mr. LENNOX.—It may be of some interest as it has been mentioned.

The WITNESS.—It was Mr. Aylesworth's. Mr. Aylesworth's valuation was \$650, but there were no details as to the acreage in his valuation.

*By Mr. Carvell:*

Q. What did you say Mr. Fitzgerald's was?—A. Mr. Fitzgerald's was \$1,090.

Q. I know. But the acreage?—A. 109 acres.

Q. 109 acres at \$10 an acre?—A. \$10 an acre.

Q. Now the next one?—A. The next one is Francis Birdsall—Fitzgerald's valuation was \$3,500, 250 acres. Mr. Dickson's was 352 acres and the valuation \$3,520. Now Mr. Dickson took that by his eye, as I understand it, and the other man by the chain. That is the way they did it.

Q. Mr. Dickson will tell us how he arrived at it?—A. The difference between them was \$20. The next was Mr. Breckenridge, 48 acres. \$480 was Fitzgerald's valuation. Mr. Dickson's valuation was 38 acres and \$380. That is what we settled at.

A. Yes?—A. Pat Crowley. Twenty acres was Mr. Fitzgerald's valuation at \$20, \$400. Mr. Dickson's valuation was 32 acres at \$10, \$320.

Q. Yes?—A. Fox.



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Q. Is that John Fox?—A. C. Fox. Fitzgerald's valuation was 82 acres, \$820, at \$10. Dickson's valuation was 80 acres at \$9. We settled at \$720. A. L. Humphreys. Fitzgerald's valuation was 37 acres at \$15, \$555. Dickson's valuation was 50 acres at \$11, \$550. Adam Humphreys, Mr. Fitzgerald's valuation was on 70 acres, \$700, that is \$10 per acre; and Mr. Dickson's valuation was 92 acres at \$911.

Mr. J. C. Lynch, Mr. Fitzgerald's was 6 acres at \$7, \$42; Mr. Dickson's valuation was 8 acres at \$5, or \$40.

Mr. M. J. Lynch, Mr. Fitzgerald's valuation was 69 acres at \$10, \$695; Mr. Dickson's valuation was 70 acres at \$15, \$1,050.

Mr. John Sargeant, Mr. Fitzgerald's valuation 72 acres at \$10, \$720; Mr. Dickson's valuation 60 acres, \$600.

Mr. Peter Brady, Mr. Fitzgerald's valuation 7 acres, \$70; Mr. Dickson's valuation, 8 acres at \$8, \$64.

Mr. A. Cameron, Mr. Fitzgerald's valuation, 3 acres at \$10, \$30; Mr. Dickson's valuation, 2 acres at \$12.50, \$25.

Mr. J. C. Dickey, Mr. Fitzgerald's valuation 13½ acres, \$135; Mr. Dickson's valuation, 17 acres, 15 at \$8 and 2 at \$16, making \$136.

Mr. P. English, Mr. Fitzgerald's valuation, 5½ acres at \$10, \$55; Mr. Dickson's valuation, 7 acres at \$8, \$56.

Mr. T. Williamson, Mr. Fitzgerald's valuation, 5 acres, \$50; Mr. Dickson's valuation 6 acres at \$8, \$48. That is all.

*By Mr. Carvell:*

Q. Have you added up the different amounts arrived at by Mr. Fitzgerald and Mr. Dickson?—A. I have. Mr. Fitzgerald's amount to \$9,792 and Mr. Dickson's valuation was \$9,070.

Q. Now on whose valuation did you settle with these claimants?—A. Mr. Dickson's.

Q. In every case?—A. In every case.

Q. Were there any changes made by Mr. Dickson as a result of this investigation by Mr. Fitzgerald?—A. No.

Q. No changes were made at all?—A. None at all.

Q. This was done simply to satisfy yourself that Mr. Dickson was treating fairly these people and the department?—A. And the department.

Q. Needless to say you concluded he was treating everybody fairly?—A. I did.

Q. Is there anything else I haven't gone into?—A. Nothing at all.

*By Mr. Lennox:*

Q. I think you mentioned Mr. McClellan, that you began your service, you took your present position about six years ago?—A. About six years ago.

Q. And what is the nature of your position, just tell us briefly; are you in full charge of a cert in district?—A. I am in full charge of all the completed portions of the canal, and when any part of the canal is completed, when the contracts are finished, the engineer hands it over to me.

Q. And in the meantime, before it is finished, it is under the direction of the superintending engineer, I presume?—A. Yes, he has charge of all the contracts, he is engineer of construction.

Q. You do not interfere until such time as the construction is completed?—A. No.

Q. And you have a territory of what extent? Speaking generally can you define it?—A. Of the whole watershed.

Q. You have charge of the whole system of canals?—A. And the conservation of the waters that feed them.

Q. You have control of it?—A. I have control of about 600 miles.

Q. You have control of the whole system of canals as far as completed, and of the conservation of the waters tributary to that?—A. Yes.

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Q. And you have a considerable staff, I suppose, under you?—A. Yes.

Q. About how many?—A. I should think there would be, on the staff, between 80 and 90.

Q. There are how many in the office?—A. Two stenographers and an accountant.

Q. Is Mr. E. Clarry the accountant?—A. Yes.

Q. Is he the brother of Mr. L. F. Clarry?—A. Yes, he is the brother of Mr. Clarry.

Q. And you have two stenographers besides?—A. Yes.

Q. So that your staff are principally an outside staff?—A. Of course they are all inside and out; the overseers have desks in my office and they do all their work in there.

Q. All their clerical work?—A. Everything they have to do, they come in and make their reports there.

Q. And they go out through the country?—A. They go out through the country, each one has his own territory, and the mechanical superintendent has charge of the machinery.

Q. And you are allowed—I would infer from what you say about Mr. Fitzgerald that in matters of that kind you are allowed considerable discretion; I presume that is so.—A. Yes, I would say that I presume I am allowed discretion, the department has allowed me to do it.

Q. They allow you considerable latitude?—A. Well, I do not know that they allow me any more than any other man would be allowed, any more latitude than the position requires.

Q. I do not know there are any other positions similar to yours.—A. Oh, yes, there is a superintendent on all other canals.

Q. I mean in the system of the Trent canal?—A. Oh, yes, on the system of the Trent, yes.

Q. You have some discretionary powers?—A. Yes, whatever I can defend and the minister can defend before the auditor.

Q. And before the Tories?—A. No, we are not afraid of the Tories, but the Auditor General and our own auditors.

Q. And you don't dread the Tories?—A. No, it is the auditors we are looking after, the Tories don't bother us, we are out of politics, you know.

Q. Do you regard your position as in the nature of office work principally or of superintendence; it is principally outside superintendence, isn't it? I mean your position does not so much involve bookkeeping as management.—A. My position involves everything. I am in the office a great deal of my time, and of course it is this way that I am never away from the office long enough that there is any letter, or any order, or any instruction of any kind, goes out of my office except I sign it; nobody signs my name for me, I am responsible for nobody's work except my own.

Q. You take responsibility for everything done in your office?—A. Yes, I do, for everything.

Q. If it should happen that you are not there it has to wait until you come?—It has to wait.

Q. Do you personally supervise the working of the canal in any way?—A. I am up over the canal, there is nothing I have done on the canal, I do not suppose there is \$5 or \$10 spent unless it is first submitted to me.

Q. Do you supervise it?—A. All that work? I can't supervise it personally, I am a long distance away, except occasionally I take a turn around the canal.

Q. Have you any engineers under you?—A. I have the privilege of taking advantage of the technical knowledge of the superintending engineer, I send for him whenever required.

Q. But you do not keep an engineer in your department constantly?—A. No, because I have the benefit of the assistance of the superintending engineer, all I have to do is to call upon him when I need his assistance.

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Q. You call in the engineer of construction whenever you require him?—A. Yes, and his staff whenever required.

Q. Are they all in the office?—A. Oh, no, they are distributed around.

Q. I do not know whether, in the operation of the canal, an engineer is constantly required or not?—A. No. It is only when I want a dam built or repaired, or anything, I send to the engineer to give me a report or plan of it.

Q. Now, you spoke about cheques. You say these cheques have been invariably made out to the parties getting the damages and the agent of the Department of Justice.—A. Yes.

Q. Do the cheques come through your hands?—A. No.

Q. Are they sent direct to the agent of the Department of Justice?—A. To the agent.

Q. Sent direct to the agent?—A. Yes.

Q. And he sees that everything is completed and in proper shape before he hands over the money?—A. That is—

Q. It is his duty to do so?—A. That is what they have got him for. A lawyer always tells what he agrees to.

Q. Were you a lawyer before you took this position?—A. Oh, no.

Q. I thought from your peculiar virtues that you had been.—A. No.

Q. I cannot see exactly, Mr. McClellan, how you would actually know about the cheques: They did not come to you?—A. Well, I will tell you how I know. In Peterborough I know that Rogers, Bennett & Goodwell—Mr. Rogers is the present Judge at Cobourg now—

Q. I know.—A. Well, that firm represented the Minister of Justice. I know they were agents of the department because I had a great deal to do with them.

Q. Where these lawyers partners?—A. Yes. They are a firm.

Q. And they represented the Minister of Justice at Peterborough?—A. They were looking up these claims, and I came in contact with them. Then I came in contact with O'Connell & Gordon. They acted in a good many claims.

Q. In putting in claims you mean, or in searching titles?—A. Searching titles and drawing the release and I came in contact with them a great deal and I saw the cheques, where they came up, a great number of these cheques in their hands. Another thing, there were a good many of those cheques where there would be a flaw in the title that would be returned by them to the Minister of Justice, then to our department, and then back to me to get straightened out.

Q. So I understand by you, Mr. McClellan, that in the course of your duties you obtained a knowledge of who the local agent of the Department of Justice was as a rule.—A. Yes. In another way—

Q. Is that correct?—A. In another way I obtained—

Q. In the course of your duties acting as superintendent?—A. Oh, yes. But I obtained it in this way always. If there was any flaw in the title to the man's property, or the man had not a clear title, no matter what it was the agent invariably returned that to the Minister of Justice.

Q. And it came to you?—A. Then it came back to me to investigate.

Q. So it just came to this: if any one acted to any considerable extent, such as these gentlemen you mentioned at Peterborough, you would necessarily get to know who was acting for the Department of Justice in that locality?—A. Yes.

Q. And you think that the making out of the cheques in that way is quite a proper thing?—A. I do.

Q. You mentioned that there were 14 solicitors employed in putting in claims, or do you mean employed by the department?—A. No. In putting in claims. I have received claims from about 14.

Q. From about 14 solicitors?—A. Yes.

Q. And you are speaking from recollection now?—A. Yes. Although I might—yes, I think I could name most of them.

Q. You might just name them. It will be a satisfaction to know. There was Mr.



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L. F. Clarry?—A. L. F. Clarry was one. H. A. Ward Ex-M.P., Port Hope, Denison & Kerr, Peterborough, A. P. Pousette, Peterborough, R. A. Wood, County Attorney, Peterborough; McLaughlin & Peel, Lindsay. I think there is Smith at Millbrook, I don't know what his initials are, and then there is a man in Omemee. I just forget his name.

Q. These firms that you have mentioned already, did they put in any claims?—A. That I have mentioned?

Q. I mean the firms that you mentioned as looking up claims for the government?—A. Rogers, Bennett & Goodwell?

Q. Yes?—A. Yes. They sent me one or two claims, and O'Connell & Gordon, I think, sent some claims.

Q. That is all you think of now?—A. That is about all.

Q. What solicitors, to your knowledge, acted for the government?—A. Well, Clarry acted, Judge Huycke acted, Rogers, Bennett & Goodwell, O'Connell & Gordon, and McLaughlin & Peel, of Lindsay.

Q. All those you have mentioned as putting in claims acted for the government?—A. Well, I don't know that they have.

Q. None that you knew of?—A. If they have, they did not have any bad titles to search, because they did not come back to me. I would not know unless I had bad titles to look into.

Q. You told me that you were six years in this position. Does the position require any technical knowledge? I mean expert knowledge in connection with construction or operation?—A. It is a position that is—I don't know whether I fill it properly or not—but it is more common sense than technical.

Q. When you tell me what you have been before I will know?—A. It requires a good deal of common sense in running it. It is more common sense than technical knowledge.

Q. What do you say about technical knowledge?—A. I say this, that we have got an excellent staff of engineers, and I have the advantage of their technical knowledge.

Q. What do you say, summing it up? Do you say it does or does not require technical knowledge?—A. Well, it requires your knowledge of a boat, and requires your knowledge of machinery, and requires your knowledge of the price of coal and anything you want to handle; it requires a good deal of business knowledge. It is more a business knowledge than technical that is required. Of course, it requires some technical knowledge to figure out the cost of a dam.

Q. That would be almost engineering knowledge, wouldn't it?—A. Well, it might be.

Q. Perhaps you have been an engineer, have you?—A. I have been in the building business.

Q. What was your business?—A. I was in the coal trade, representing the Lehigh Valley in the coal business, and I was in the bank for a long time.

Q. The common sense branch of it you think the most important? Were you ever a politician; that is the greatest qualification for a politician, isn't it?—A. The only reason, I presume, that I didn't become a politician was that I was a defeated candidate once.

Q. You might thank your stars that you didn't get in then, or you might have become one.

*By Mr. Carvell:*

Q. How long ago was that?—A. About 1900; that is some time ago.

*By Mr. Lennox:*

Q. That is some time before you were appointed to this position?—A. Yes.

Q. You ran as a candidate for the Dominion House?—A. Yes, against Mr. Kendry.

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Q. My learned friend asked you a rather peculiar question, and I do not know why he should ask you anything like that. He asked you: Did you ever attempt to induce any one to get any solicitor—I think he meant any particular solicitor—to prosecute their claims? I do not know why he should have asked you that; there is no charge of anything of that kind against you, is there?—A. No, sir, not that I know of; if there is, it is wrong.

Q. Then, it was very unkind, I should think, of my learned friend to suggest it?—A. Yes, he is, I think, a little unkind at times.

Q. Now, in reference to this conservation policy, I did not catch when that was adopted?—A. That was adopted about five years since, this is the fifth season.

Q. About five years ago—this is 1910?—A. Yes, about 1905 we commenced it.

Q. What was the object of that, was it to have more?—A. More water.

Q. More means of floating vessels?—A. Of floating vessels, and in the interest of the steamboat men, the lumbermen and the power users.

Q. Now, this portion of the river, is that in use?—A. Yes.

Q. Is that being used for navigation purposes?—A. Yes.

Q. Is there much traffic on it?—A. Oh, there is considerable traffic on Rice lake.

Q. Rice lake is navigable now, isn't it?—A. It would not be good navigation on Rice lake if it were not for the dam at Hastings.

Q. Where is Rice lake? Is it 8 or ten miles up from Hastings?—A. About 3 miles up from Hastings, the Trent river runs down from it.

Q. There has been a wharf built up somewhere near Frank Birdsall's place on some lake?—A. On Rice lake.

Q. And Rice lake is navigable now?—A. Well, it would be in some places, but it would not be deep enough without the dam.

Q. Have you improved the navigation on Rice lake by penning back the waters?—A. Oh, yes.

Q. What I understand is this, that the government has commenced a system of conserving the waters?—A. Yes.

Q. And so improving navigation?—A. Yes.

Q. And that the increase is about 2 feet?—A. It is an average of 2 feet.

Q. That is it will be a couple of feet higher during the time of scarcity of water than it will otherwise be?—A. Than it will otherwise be.

Q. But as regards the time of the freshet, there will be less coming down, would there than formerly, just in that proportion?—A. It will be considerably—we never have any what you would call big spring freshets at Peterborough.

Q. Instead of having it come down with a rush you bring it down gradually?—A. Yes, we bring it down in July, August and September, we hold it until we need it.

Q. That is done by putting stop logs in at various points?—A. At various points.

Q. And I suppose that is higher up, principally, rather than lower down?—A. Oh, higher up, as high as Gull river and Burnt river.

Q. That is a couple of hundred miles?—A. A couple of hundred miles, yes, I suppose we have 60 or 70 dams there.

Q. You say you adopted a policy five years ago of conserving the waters at all points?—A. Yes.

Q. Do you mean at all points of the completed navigation system, or do you mean at all points whether you have completed construction or not?—A. Well, the only part of the canal that is affected by that water is the completed part of the canal now, but the other parts below where we are building will have the benefit of that water when we have the locks.

Q. This affects the lands all along the completed part of the system?—A. Right up to the height of land at Balsam lake, then we run into Simcoe and go down again.

Q. And the result of it would be that a lot of land, the owners of which would not previously be entitled to damages would now be entitled to damages by that reason, is that right?—A. Oh, yes, there are a lot of them getting damages that would not be entitled to damages.

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Q. Did it drown lands that had never been touched before?—A. It brought them in in this way, that they had been touched in the spring freshet, but it held the water there.

Q. I mean by what you would call the action of the government; did it bring in lands by the action of the government that had not previously been affected?—A. Not to the extent that they are now.

Q. Did it convert land into drowned land that could not be called flooded land before?—A. I do not think——

Q. It created drowned lands, did it?—A. Excuse me, I would not say that it made drowned lands, but it has made flooded lands.

Q. Has it made flooded lands?—A. Yes.

Q. It has made flooded lands, but did not, as you say, created drowned lands?—A. No.

Q. So that you subjected the country, possibly, you might have done so with great propriety, I do not know, to additional damages by that policy?—A. Yes; well, then, I would have to have it understood there is another side to that ledger account; the account was not all bad, there is another side to it you know.

Q. All right, don't be too much of a politician now?—A. I am not a politician, I only wanted to explain to you that I did not want to have too much blame put on me.

Q. I fully expected you would say that there were some advantages resulting from the change, I am not prepared to say that there are not, but the result of the adoption of that policy was to create a greater damage than there was before, and in consequence of that these moneys have been paid?—A. Yes.

Q. I am not prepared at all to say that you are not right, you will say that it is in the interest of the country, and it may be that it was, I am not very much concerned in the question of levels anyhow. You say the Hastings dam is no higher than it was six years ago?—A. No, the dam itself is not, but the water is higher.

Q. They put in a greater number of stop logs to hold back the water and create a higher level?—A. Yes, a higher level.

Q. That will be about two feet higher. Is the Hastings dam any higher than it was 30 years ago?—A. I cannot say that.

Q. Isn't it generally understood it wasn't, you would know more about it than most people?—A. I think the last time it was rebuilt it was built higher.

Q. Didn't you always tell the people who were seeking compensation that it wasn't any higher?—A. I don't know that I did that. I didn't settle those matters.

Q. I understand the position that the government takes is that the dam is not built any higher than it was before?—A. Yes, well, I presume it is about the same, or a little higher it may be.

Q. It is very much the same as it was thirty years ago.—A. When it was rebuilt.

Q. It was intended to be rebuilt in about the same way?—A. About the same way.

Q. Do you know where Chisholm's rapids are?—A. That is not on the finished portion of the canal, that is down about Campbellford.

Q. And do you know Bradley's bay?—A. That is down below too.

Q. That is the rapids are below the bay?—A. Below Campbellford, between that and Trenton.

Q. You don't know that portion of the territory, that is not under your jurisdiction?—A. That is not mine, that has not been handed over to me at all.

Q. Do you know as to the height of the water there? Has the level been changed there?—A. I don't know sir.

Mr. LENNOX.—That will do.

Q. There are two questions that I omitted to ask you. How were Messrs. Fitzgerald and Dickson paid for their services?—A. Mr. Dickson was paid so much per



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day. They were both paid for the number of days they worked. Their account was put in to me and I certified it and sent it down to Ottawa and their cheque was sent up.

Q. Their salary or remuneration did not in any way depend on the number or kind of settlements they made?—A. None whatever. That had nothing to do with it. They got their pay no matter how it was.

Q. You stated to my honourable friend that there was another side to the ledger account, resulting from the conserving of this water?—A. Yes.

Q. What were the compensating advantages?—A. While we pay \$100,000 for land we have saved, as we figured at the time, between \$400,000 and \$500,000 in dredging.

Q. That is, you get your eight feet of water?—A. We get nine feet on the reaches and we could not get it unless we either dredged it or held that water there.

*By Mr. Lennox:*

Q. Had you something to do with this policy of conserving the water, Mr. McClellan?—A. Yes.

Q. It was partly owing to your experience that it was done, I presume?—A. Well, Mr. Butler knew those waters, you know, and he and I kept consulting on it continually. I was carrying it out, and finally we asked for the grant. I put in the application.

Q. It has worked all right on this portion of the system?—A. It worked all right. I would not like to quit.

Q. What do you think of applying it to the canal at Newmarket. Would it be any good there?—A. I don't know. If it worked all right we might get a patent for Newmarket and Haggart's canal down here. They are one about as bad as another.

Q. One is about as bad as another?—A. Yes.

Q. Do you think Mr. Haggart's canal has enough water?—A. The Tay canal answers its purpose just as good as any part of this route.

Q. You say it is all right?—A. Yes.

Q. And you think the Newmarket canal would work?—A. Just the same.

Q. Do you think they will get enough water?—A. Certainly, I will take you up in the boat next summer. I tell you, the superintending engineer is a very shrewd fellow, that is Mr. B. Grant. He sees the water is there.

Q. We will bring Mr. Grant down some day to see Ottawa?—A. Yes. He will give you the whole thing. I won't have anything to do with it until it is finished.

Witness discharged.

Mr. JAMES DICKSON, called, sworn, and examined:

*By Mr. Lennox:*

Q. You are the engineer or valuator employed by the government in connection with these flooded and drowned lands?—A. Yes, for some time back.

Q. How long have you been engaged?—A. I began on the 16th September, 1908.

Q. And you have been at it ever since?—A. Mr. Aylesworth continued at the work probably 10 days or two weeks after I had joined. Then he took so ill he could not go on and I have done it all ever since.

Q. You valued these lands where the claims were put in by Mr. Clarry?—A. Yes.

Q. All of them, I believe?—A. I think so.

Q. And you valued some lands, did you, where the claims were not put in by Mr. Clarry, but where he acted as solicitor in connection with the title?—A. I don't know.

Q. You are not sure as to that?—A. I don't know. I believe I valued all he put in, but I don't know.

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Q. Can you speak from recollection as to the first name that you have any knowledge Mr. Clarry was acting for?—A. I could hardly individualize. I think it was probably Shearer or Birdsall. I don't know which.

Q. Do you remember the claim of Mr. Lynch? It seems to me there was an early claim by a Mr. Lynch?—A. Yes. Lynch was one of the first claims I went into. There were two Lynches.

Q. Yes?—A. One of these, one of the first I went into, I learned afterwards, Mr. Clarry was acting for him, but I didn't know at the time.

Q. You ascertained Mr. Clarry was acting for him?—A. After I made the valuation.

Q. But you didn't know it before you made the valuation?—A. No.

Q. The valuation in the Lynch claim I see was made in December, 1908?—A. Yes. Some time in the neighbourhood of Christmas. I think not very long from Christmas.

Q. A little before that?—A. Yes.

Q. The agreement was in the 18th December, 1908?—A. Yes. That was one of the first I adjusted there.

Q. And was that the day the valuation was made?—A. Yes.

Q. That was when the agreement was signed?—A. In Mr. Lynch's house. Yes, the day I made the valuation.

Q. And up to that time, at all events, you had not known that Mr. Clarry was acting in that case?—A. I have no recollection of knowing it. My recollection is this: I went down to Birdsall station. Mr. Lynch met me there, he lived not very far from there. I made my valuation and he drove me back to the station and I took the next train to Peterborough.

Q. The agreement is dated 18th December and signed in Mr. Lynch's house?—A. Yes.

Q. Do you remember who wrote it out?—A. It must have been myself, I fancy. I am not sure.

Q. I don't recognize your writing?—A. Could you let me see it?

Q. I don't think it is your writing, Mr. Dickson (handing document to witness).—A. (After examining file.) It might have been some member of his family that wrote it.

Q. It is not your writing, is it?—A. It is not my writing. It might have been some member of his family.

Q. Then did he tell you when you were there that day that he had put in the claim for him?—A. I don't think so.

Q. Can you speak positively?—A. No.

Q. You don't know whether he did or not?—I see here on the margin of it you say, that is in your own writing. 'I recommend this as a just settlement, James Dickson.'—A. I'll tell you how that came, when I began first Mr. Aylesworth was making a report like that, and after I had been at it some time I was ordered by the department here to make a specific report on each particular case of the number of acres and how I arrived at my conclusions, and attach that to my report.

Q. All the same, although you make that recommendation on the margin, the next day you put in a regular certificate?—A. I don't know whether I did in that case or not.

Q. Yes, I find it there?—A. Very likely.

Q. Yes, in the case of M. F. Lynch you put in a recommendation specifying the number of acres that you think are damaged and the value, that is the form of the ordinary certificate, I presume?—A. Yes.

Q. When did you come into contact with Mr. Clarry in connection with this claim?—A. My first acquaintance with Mr. Clarry was when I went to Henry Humphries first. Mr. McClellan told me that Henry Humphries had put in a claim.

Q. Had you any connection with Mr. Clarry in connection with this claim?—

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A. I have no recollection at all of his connection with the claim, I do not think I had any connection with him in that case.

Q. Now, Mr. Sargent's claim, you took that up?—A. Yes.

Q. He is the store-keeper?—A. So I understand.

Q. Where did you see him?—A. On the premises, he met me on the ground.

Q. He met you where the farm is?—A. Where the farm is.

Q. And did you come to an agreement with him?—A. I couldn't, he wanted \$1,000 and I offered him \$600, but he wouldn't take it.

Q. When was it that you saw him?—A. What is that?

Q. When was it that you saw Mr. Sargent?—A. I forget the date just now.

Q. At all events, he wouldn't agree to accept your offer. I do not think you have any date when you visited him, the only way we can judge is by the date the contract was signed. This contract was not signed at that time?—A. No; perhaps it would be a few days afterwards.

*By Mr. Carvell:*

Q. You have the evidence of Mr. Clarry that it was signed the next day?—A. I understood from Mr. Clarry——

*By Mr. Lennox:*

Q. Anyhow, that corresponds pretty well with what you say, the date of your certificate is 23rd of January?—A. It might have been thereabouts.

Q. I am telling you, as a fact, that it is so?—A. Yes.

Q. And it would probably not be long before that?—A. I fancy not.

Q. That you made the valuation?—A. What day in January is it?

Q. The 23rd; you made your report on the 23rd of January?—A. Yes; well, I was at home about a week or ten days at Christmas; it was about that time, and it might be before that that the valuation was made.

Q. It might be before Christmas?—A. It might be, or it might be in January.

Q. After you made the valuation you came to his place?—A. I didn't go to his place; he said we couldn't agree at all—and he said Clarry was acting for him. I went to Mr. Clarry, and Mr. Clarry thought I wasn't giving him enough, and he tried to convince me that the land was worth more, but I said I couldn't go a dollar above that.

Q. When you say Mr. Clarry thought you were not giving him enough you mean that Mr. Clarry said he thought you were not?—A. Yes.

Q. And Mr. Clarry endeavoured to persuade you to give him more?—A. Yes; as I understand it, he was acting as solicitor for his client, and we discussed it for some time, and I told Mr. Clarry that was as high as I could go.

Q. Let me have it briefly, what way did Mr. Clarry present it to you?—A. That it was worth more.

Q. Did he give you any reason for saying it was worth more?—A. None, except his own opinion.

Q. Did he speak as if he had knowledge of the territory and the place?—A. Yes.

Q. And he argued that his client was entitled to more?—A. That he was entitled to more.

Q. To more than the amount you finally agreed to give him, and he was claiming \$850?—A. I thought it was \$1,000.

Q. Maybe it was in the first place; it may have been so. How much did Mr. Clarry think he ought to get?—A. I don't think he mentioned any sum.

Q. But that he should get more than \$600?—A. Yes.

Q. Did he mention how much?—A. My recollection is that he asked me to give him so much and I would not, and then he asked for so much less several times, coming down a few dollars every time; and I told him that I wasn't going to come up a dollar.



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Q. Where was that?—A. In Mr. Clarry's office in Hastings.

Q. And you say that would be somewhere about the 23rd of January?—A. Somewhere about that; it might be two or three weeks previous to that.

Q. On that day, when you saw Mr. Clarry in his office, did you come to an agreement?—A. No; I said to Mr. Clarry: 'If he won't take my offer, he can go to the Exchequer Court; that is all I am going to give.' He said at last: 'If that is the best you can do, I will advise him to take your offer.'

Q. If that was the best you could do he would advise his client to accept the offer?—A. Yes, and I left him an offer of settlement and told him to get that filled out and send it to Peterborough.

Q. And this offer was filled out by Mr. Clarry, not by you?—A. Oh no, not by me.

Q. Look at it, you know Mr. Clarry's writing?—A. I haven't known the gentleman very long, but I fancy that is his writing. I told him to fill it out and send it to Peterborough.

Q. When did you hear about it again? Or did you hear about it any more?—A. I never heard any more about it.

Q. When you were there at that time talking to Clarry about this claim did you not talk about any other claims he had put in at that time?—A. I don't recollect, I fancy not.

Q. You have had occasion to talk to him from time to time?—A. I don't think we had any talk about any claims except that particular claim that came up. There was only a few to discuss with him altogether.

Q. You and Clarry came to an agreement on this question, and he said he would recommend his client to accept that amount?—A. If I wouldn't do any better.

Q. And you didn't do any better?—A. I didn't.

Q. As far as you know it was closed at your figures?—A. Oh, yes, I saw that afterwards in the office.

Q. You know that it was closed at your figures?—A. Yes.

Q. You remember the Fowlds' claim, the Fowlds' company in Hastings?—A. There was a Fowlds' company put in a claim there, I was there once or twice and they never turned up and Mr. Clarry said if they don't care to come we are not going to run after them, they know that you are here and if they don't choose to come let them go.

Q. Let me understand it, the Fowlds people put in a claim to Clarry?—A. That is my recollection of it now.

Q. And you went out and they were not there?—A. Hold on, perhaps I am wrong now, perhaps Fowlds wasn't the company, there was one company there at any rate.

Q. That is the only company I know of, it was a small claim, wasn't it?—A. I don't remember.

Q. It was a small claim, they made it \$250 and it was settled at \$150?—A. Then I am thinking of some other company than the Fowlds company perhaps, but I am not clear about it.

Q. Isn't that the only one that was paid?—A. I know there was some company there that didn't turn up.

Q. That is what Mr. Clarry told us the other day, that they didn't turn up, that Mr. Fowlds was ill and that he phoned down to the house and was told to do the best he could?—A. Yes.

Q. Now you went—first I will show you your certificate?—A. That perhaps will refresh my memory.

Q. That (showing document to witness) is your certificate?—A. Oh, yes, I remember it now—yes I remember it now, that is all right.

Q. You went knowing that Mr. Clarry was acting for these parties, you went to his office?—A. He showed me the place.

Q. Mr. Clarry went with you and showed you the place?—A. Yes.

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Q. That is where the damage was?—A. Yes.

Q. He pointed that out?—A. Yes.

Q. And you say these parties didn't turn up?—A. I have no recollection of ever seeing them at all.

Q. You did not see them at all?—A. No.

Q. And there was a discussion between you and Mr. Clarry, I suppose, as to the price?—A. Yes.

Q. A discussion as to the price?—A. I don't remember whether he asked a higher figure or not in that case.

Q. It says here that you never saw the parties themselves?—A. I never saw the parties themselves.

Q. That is a signed claim by Mr. Fowlds and it says (reads): 'I consider I have and do suffer loss and damage from the construction and operation of said canal to the amount of \$250, but in order to effect a settlement I hereby offer and agree with the Minister of Railways and Canals of Canada to accept the sum of \$150.'—A. I see.

Q. Are we right in supposing that Mr. Cleary in that case also did the best he could for his clients and endeavoured to get a higher price?—A. Oh, you are quite right. I told him: 'There is the figure I will give. You can fill that in with what amount you like, I don't care, it won't change my decision. There is my figure and I am not going to go beyond it.'

Q. And you did not go beyond \$150?—A. No. He always tried to get a higher price.

Q. Do you recollect him telephoning that out to the people?—A. I do not.

Q. You don't recollect?—A. No.

Q. However, did you effect an agreement that day? Did you come to terms that day for \$150?—A. Yes, we came to terms.

Q. You came to terms upon \$150, you and Mr. Clarry, the latter acting for—  
A. Mr. Clarry filled it in.

Q. Mr. Clarry acting for the company, and he filled out the agreement?—A. Yes.

Q. And was it signed that day?—A. I cannot tell you.

Q. Signed in the presence of E. B. Collison. You know nothing about that, perhaps?—A. No. I left that with him as with Sargent to fill it in and execute it and send it up to the office.

Q. Do you remember the G. A. L. Humphries' claim?—A. Yes.

Q. You went to Mr. Clarry about that, did you?—A. No. I had no correspondence with him at all.

Q. In that case you went direct to Mr.—A. To Mr. Humphries. I don't know who put in the claim.

Q. Humphries' didn't tell you?—A. No. I don't remember Mr. Clarry's name being mentioned there at all, good or bad.

Q. This is evidently a claim that was filled up by yourself?—A. Yes.

Q. And it was filled up where?—A. In his own house.

Mr. LENNOX.—I thought this was the case in which Humphries said that he went down that night and signed.

Mr. CARVELL.—No. That was the James Warner case.

*By Mr. Lennox:*

Q. Had you anything to do with Mr. Clarry in connection with this Humphries' claim?—A. No.

Q. Nothing whatever?—A. No.

Q. When you were going out to see Mr. Humphries to examine his land did you see Mr. Clarry?—A. Yes. I remember seeing him and telling him that I was going to see Humphries.

Q. You told him you were going to see Humphries?—A. Yes.

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Q. And he didn't tell you he had put in that claim?—A. I don't remember his mentioning it at all.

Q. What did you say about it?—A. I think my recollection is that when he asked me where I was going to, I told him, and he said: 'There is one Graham has a claim alongside of it.' 'Well,' I said, 'if it is alongside of it I will call and see it.' 'Well,' he says, 'will you carry out a letter for me?' I said 'yes.'

Q. He said 'One Graham out there has a claim alongside'?—A. Yes, and I said 'I will call and see it'.

Q. You had not heard of Graham before this?—A. No.

Q. Where was this conversation?—A. It would be probably on the street near his office, or perhaps in his office.

Q. In his office, was it not?—A. It may have been, or it may have been in the street.

Q. He asked you if you would take a letter?—A. Carry out a letter to Graham.

Q. At all events you got the letter in his office, did you?—A. I could not say whether it was in his office or on the street.

Q. Did you hear the letter dictated to his typewriter?—A. No. But I know the contents of the letter.

Q. I didn't ask you whether you knew the contents or not, but that is the inference?—A. Oh, certainly.

Q. Did you hear the answer dictated by Mr. Clarry to his typewriter?—A. I did not. My impression is that he had the letter in his pocket at the time ready for a chance to send it out. That is my recollection.

Q. He does not say so, but maybe you can tell us what your recollection is of it. He told you that one Graham alongside of Humphries had a claim, and would you take a letter out?—A. He said 'There is a family named Graham that have a claim alongside'. I said 'Very well, I am going out there. At any rate I will call and see it although they have not put in a claim, and it will save me the trouble of going out again.' 'Well', said he, 'will you carry out a letter for me'?

Q. What did he say about his connection with the Humphries claim?—A. He never mentioned, to my recollection, G. A. L. Humphries' claim.

Q. How did he get to be talking about G. A. L. Humphries if he did not mention that he had a claim?—A. He asked me where I was going and I told him I was going out to that place.

Q. I see. He writes a letter to Mr. McClellan asking that you should call at his office on your way to inspect certain claims in his neighbourhood—some of his claims—I don't know whether G. A. L. Humphries was one of them or not—and I suppose Mr. McClellan acquainted you with that fact?—A. I have no recollection about G. A. L. Humphries and him at all.

Q. Did Mr. McClellan tell you that Mr. Clarry had suggested that on your way out there to see some of these people you might call at his office?—A. I don't remember.

Q. You don't remember?—A. No.

Q. Now, this claim of Humphries was settled without reference to?—A. Mr. Clarry?

Q. To Mr. Clarry?—A. Oh, yes.

Q. That is the amount was settled?—A. Yes.

Q. Do you remember the Warner claim?—A. James Warner?

Q. Yes. James Warner.—A. Yes.

Q. He lives out near Humphries?—A. The next lot.

Q. That also was an agreement put in by Mr. Clarry?—A. I don't know who put it in.

Q. I say, this is an agreement put in by Mr. Clarry (exhibiting document)?—A. I don't remember.

Q. It is witnessed by you. Just look at it and see.—A. (After examining docu-



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ment). It is certainly not my writing, but I must have been present when Mr. Warner signed it because I witnessed it.

Q. That looks to be the same writing as we had before?—A. It looks like it. I don't remember where it was made out.

Q. Do you remember where it was signed?—A. I don't remember that.

Q. Well, I will try and remind you of it and maybe it will come to your recollection. The certificate is dated 18th of January, and it is on typewritten paper. Did you go to the office?—A. Went to the office and dictated to the stenographer.

Q. And then they signed it?—A. Yes.

Q. The agreement was signed on the 15th January, two or three days before?—A. Yes.

Q. And I take it that it is Mr. Clarry's handwriting, in fact I have not any doubt about it. I don't know whether I asked him about it.—A. I think you did.

Q. As I recollect it, you will correct me if I haven't the correct recollection, Mr. Warner told me that for some reason he would not agree to accept Mr. Dickson's offer, and that he arranged to meet him that night in Hastings?—A. If Mr. Warner said so I have no doubt it is true, but I don't recollect.

Q. Is that the case, Mr. Carvell?

Mr. CARVELL.—No, I think that was John Sargent.

Mr. LENNOX.—No, Mr. Sargent is one who has sworn that he left it with his lawyer, and Mr. Sargent did not arrange to meet you, Mr. Dickson?—A. No.

*By Mr. Lennox:*

Q. This is Mr. Warner, I think I recollect, there is no doubt about it, he said he would meet Mr. Dickson in Hastings that night?—A. Since you mention it my recollection seems to come back to me, that you are right.

Q. Then he went down to the village and went to a certain hotel and I remember asking him which side of the river it was on, and he told me which side and said that he did not find Mr. Dickson there, then he went to Mr. Clarry's office and found him there. That is correct?—A. I have no doubt that is correct.

Q. You think that is correct?—A. I have no doubt about it. And after some discussion the price was agreed on?—A. \$11 per acre.

Mr. CARVELL.—That is the one where he offered him \$10 and came up \$1.

*By Mr. Lennox:*

Q. You offered him \$10 at first?—A. Yes, and I came up one dollar.

Q. And Mr. Clarry urged you to do that?—A. I don't think so, but the claim was made so strong that I came up a dollar.

Q. Didn't he say, 'Can't you give him another dollar?'—A. I don't recollect that, my recollection is that Warner himself was the man that urged me to give another dollar, and I thought I wasn't going too high if I gave another dollar.

Q. And you gave him \$11, and the agreement was signed, and that agreement was in Mr. Clarry's writing?—A. Yes, that is it.

Q. And that was on the 15th of January?—A. Very likely.

Q. And of course you knew who Mr. Clarry was acting for at that time? Now, the Scriver claim, it is a very small claim, \$36, I think?—A. Yes.

Q. This is in Alnwick or Percy Township, I forget which?—A. It is on an island, isn't it? I think it is an island in the river and that it is attached to Percy Township.

Q. The north half of lot 7, in the 11th concession of Percy?—A. Yes.

Q. This was a claim made out, evidently signed in Mr. Clarry's office, it is in his writing and is witnessed by yourself (handing document to witness?—A. Yes.

Q. Do you recollect whether Mrs. Scriver was there when the settlement was agreed to?—A. I am sure she was or I would not have signed the document if she wasn't, but I don't recollect any particulars.

## APPENDIX No. 2

*By Mr. Carvell:*

Q. Do you recollect Mrs. Scriver being in Mr. Clarry's office?—A. Oh, yes.

*By Mr. Lennox:*

Q. Mr. Clarry, Mrs. Scriver and yourself?—A. Yes.

Q. And an agreement was come to there and she signed it, and you witnessed it?—A. Yes.

Q. What is the amount of her claim?—A. It is only \$36.

Q. How much did she claim?—A. \$75.

Q. Do you recollect anything about the discussion on that?—A. No, I do not recollect the discussion.

Q. Patrick English, do you recollect him?—A. Not particularly; I remember the name.

Q. Patrick English is also in Percy, and the claim he made was for \$100, and you settled with him at \$56?—A. What lot is that?

Q. The west half of lot 6 in concession 11 of the township of Percy?—A. Yes.

Q. And there seems to be a somewhat extensive variety of writing in this, part of it, I think, is in Mr. Clarry's hand, and part of it is somebody else's?—A. I have no recollection of it at all.

Q. Do you know where this settlement was made?—A. I did not witness this, you know; where it was made?

Q. Yes?—A. I do not, I must have left it with Mr. Clarry to have it filled out. I see he asked for \$100 and took \$56; I told him that was as high as I would go, and to let his client sign it and send it in.

Q. That is filled up by Mr. Clarry and your recollection, as far as you have a recollection, is that you left it with Mr. Clarry for settlement?—A. Yes, I always told Mr. Clarry in these cases how much I was going to give.

Q. You told him how much you would give?—A. Yes, and to make out the settlement if they would accept it, and if not to go to the Exchequer Court.

Q. And this applied to all the claims that Mr. Clarry put in, and according to the statement I have here Mr. Clarry put in 21 claims?—A. Mr. Clarry put in 21?

Q. Maybe I am wrong in that; Mr. Clarry was connected with 21 claims for the government, claims he put in?—A. I don't know anything about that.

Q. He spoke of 15 or 16 claims the other day, but speaking of that, that is the system you pursue; you would leave it with the solicitor for signature where you did not settle with the parties themselves?—A. If the parties were not there.

Q. You would leave the blank agreement with Mr. Clarry and tell him the utmost amount you would give?—A. I did that with several other parties.

*By Mr. Carvell:*

Q. You did that with other solicitors as well as Mr. Clarry?—A. As well as Mr. Clarry, yes.

*By Mr. Lennox:*

Q. And that extended from December, 1908, down to about when?—A. Until April or somewheres about that.

Q. To April?—A. Yes, probably.

Q. Or was it later than that?—A. April or May; it seems to me that the last time I was across to the south side of Rice lake would be the fore part of May, and I tell you why, I remember I was at one man's place, and he was taking some cattle and young horses across the lake for pasture, and that would be about the beginning of May, I think.

Q. And extending from December to May these claims that Mr. Clarry handled were put in and were adjusted?—A. Yes, I don't think there is any claim around there still in abeyance, none that I can think of.

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Q. During that time you knew that he was acting in some cases as agent for the government?—A. I didn't know anything about that.

Q. You never knew that?—A. No.

Q. He never disclosed to you that he was acting for the government?—A. I had learned from Mr. McClellan that he had been hunting up the titles of some parties, and that he had found a flaw in them.

Q. You had learned that during that period?—A. I wouldn't say that it was during that period, you know.

Q. I mean between those dates you learned that?—A. It might have been between those dates.

Q. It wouldn't have been after it was all closed up you learned that?—A. No, I think it was between those dates, I think you are right.

Q. You learned that Mr. Clarry was engaged in hunting up the titles?—A. That one I am particularly clear upon is that of Henry Humphries, he was searching the title in that, but that was in the beginning of May.

Q. And there were many others?—A. I cannot recollect any others.

Q. There was one case where I think the wife—do you remember the Fox case, where it turned out after the husband had put in the claim that the wife owned half the land?—A. I don't remember.

Q. And you went back and had a second valuation?—A. I don't remember. Quite likely it might have happened.

Q. There was another case in which one of the claimant's wives was in an asylum?—A. There were several cases of that kind happened.

*By Mr. Carvell:*

Q. And there was Thomas Davidson who had a sale of one and a half and two and a half acres?—A. Yes.

*By Mr. Lennox:*

Q. There were several cases in which there were defects investigated by Mr. Clarry?—A. In some of them the party told me 'I own such and such a lot' and I found they only owned one part and then I had to find out whether there was any damage in the part they owned or not.

Q. So in connection with claims in which there were defects in the title or the acreage you learned that Mr. Clarry was acting for the government in searching title?—A. I think so.

Q. Did you learn it from Mr. McClellan?—A. From Mr. McClellan. I have had no direct dealings with Mr. Clarry at all.

Q. You don't think that Mr. Clarry mentioned it to you in any case?—A. I don't think so.

Q. Would you swear he didn't, or that you cannot recollect?—A. I think I am safe in saying that he didn't.

Q. Would you be positive that he didn't?—A. It is a thing that it is very hard to be positive about, but my recollection is that he didn't.

Q. The best of your recollection is that he didn't say anything about it?—A. Yes. To the best of my recollection it was all through Mr. McClellan.

Q. You don't mean by that that he was concealing it from you?—A. Oh, no. Not at all.

Q. Simply that he didn't mention it to you, that you recollect.—A. Didn't mention it to me. My business was to see that the land was damaged to a certain extent and then I had nothing more to do with it.

*By Mr. Carvell:*

Q. Now, Mr. Dickson, you spoke about settling the Fowlds' claim in Mr. Clarry's office without Mr. Fowlds being present?—A. Yes.



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Q. Had you previously personally examined the land yourself?—A. I did examine it, yes, before the claim was settled.

Q. You also spoke about settling a claim for Mrs. Scriver, and also for Pat English in Mr. Clarry's office?—A. Yes.

Q. Had you previously examined those claims?—A. In every case.

Q. Did you ever settle a claim for anybody without first having personally examined the land itself?—A. No, sir.

Q. Tell me, what was your operation? In examining a claim and arriving at your conclusion?—A. Well, sometimes there were square patches and sometimes they were very irregular. Sometimes there was just a strip along a river or lake and I would walk across. I would tell the party 'Now, show me all the land you have got damaged', and I would walk over it. If it was possible to pace it I would do so, and where it was not possible to pace it I would compare it with the size of places I knew elsewhere and come to a conclusion that way. Then, I generally asked 'Now, how many acres do you think are damaged'? And I was surprised to find out how often their ideas agreed with mine. In a number of cases they would differ but I was surprised to find how often we agreed.

Q. I suppose you discussed at some places the matter of price and the question of quantities?—A. Oh, we used to have quite an argument about it sometimes. Perhaps 10 per cent of the parties when I asked them how much they would want would say 'I will leave it to yourself to do what is right'. That would be 10 per cent I would say, but as a rule they would want nearly double. I can give you a summary of the whole thing if you like.

Q. How could you tell in going along there in the winter time how much of this land would be either drowned or flooded?—A. Well, their land was apparently some height above the water without much snow on it. I remember that winter there was very little snow, and I could form a very close approximation as to what it was. Sometimes there were marks on the trees. Even with the snow I would see debris and logs lying around. And from the top of the shore I could form a pretty clear idea how far the water came up.

Q. Do you draw a distinction between drowned lands and flooded lands?—A. I think there is about as much distinction between them as there is between a creek and a river. We generally know when a creek ceases to be a creek and begins to be a river. Some say that flooded land is only flooded for a portion of the time, and that drowned land is drowned all the year. Probably that is correct.

Q. I think probably there is something in that?—A. Probably that is correct.

Q. You would have no difficulty in looking at the land itself in telling what portion of that land was covered with water at certain portions of the year?—A. Oh, approximately. Of course, I made some mistakes.

Q. Had you had any previous experience in land surveying or anything of that kind?—A. Well, I have had a good deal of experience in surveying, but I never—well, I have made several valuations for the Chief Engineer of the Department for lands at Buckhorn, Bobcaygeon and Rosedale.

Q. What has been your experience as a land surveyor?—A. It is 43 years ago yesterday since I was a licensed land surveyor.

Q. Have you been at it all your lifetime?—A. Yes. Never done anything else since.

Q. You have had a long experience?—A. It seems so.

Q. Did you know anything about Fitzgerald going out to go over some of your assessments?—A. Not until after he had done it.

Q. They didn't tell you that?—A. Mr. McClellan didn't take me into his confidence.

Q. When did you first learn that Fitzgerald had been over your work?—A. The first I heard was I had a letter from Mr. Butler stating that a complaint had come into the office that I had given a man compensation for his lands without going over it, or seeing it at all, and, says he, 'From my long experience with you I cannot think

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that you would do the like of that. But it has come in so plainly that we will have to have it inspected. Let me know how you proceeded to do it.' I was at Omemee at the time I wrote the report, and I replied thanking him and stating the facts. After that I learned that Mr. Fitzgerald was sent over the work at that place. Then some weeks after that I learned that he was making a general survey of a lot of places.

Q. Now, you told Mr. Lennox that you took this Graham letter from Mr. Clarry either at his office or on the street?—A. Yes.

Q. You didn't tell what became of the letter? Will you go on and finish up that story?—A. I drove up to the gate. I went to the farmhouse, the Graham house. The gate was open but there was a placard on the gate post 'Scarlet Fever.' I drove about forty or fifty rods to the house and stopped in front of the house and the old lady came out. I said 'I understand you have a claim for drowned lands.' She said 'She didn't know anything about it', or words to that effect. She said 'The boys are not in.' 'All right,' I said, 'I have got a letter for you,' and I handed it to her, and that was all about the letter.

Q. Well did you ever talk with her about the amount of damage?—A. I knew nothing more about it for some months after that when her son came into the office one day and I chanced to be there at the time, and he spoke about the claim, and I said something to him about his mother having told me that she knew nothing about any claim. He said that she didn't know anything about it at the time but that the land was damaged, and I said to him, 'Put in your claim now and I will come down and see it and I won't let anything your mother said to me prejudice the claim in any way; I will come down and examine it.'

Q. Was there any talk at that time about employing a solicitor?—A. Yes, there was something said about it and I said to him, 'You are foolish if you employ a lawyer, because no lawyer will influence me in making my award, you are only throwing away your money. If you put in the claim yourself you will get the same remuneration as if you had all the lawyers in Canada handling it for you; it don't make any difference to me, because I am paid so much a day for what I do and no lawyer will influence me.'

Q. Did you prevent any other of these claimants from retaining solicitors?—A. Well, I didn't say anything. I didn't introduce the subject to anybody, but when they talked about it I always told them that they needn't bother about it, they needn't pay out money for lawyers because it wasn't necessary.

Q. Did not some of them ask if it would do any good if they saw Mr. Stratton?—A. Yes, they did, but I said to them that it was no use, they would only trouble Mr. Stratton, that he couldn't do anything for them; I told them, 'I am the man you have to deal with and if you go to Mr. Stratton you are only annoying him and any other member of parliament that you go to; if you put in your claim that is all that they or anybody else can do for you.' I told some of them that right in Mr. Stratton's presence.

Q. Did you ever get any share of the commission that Mr. Clarry received from these clients?—A. He never offered me any.

Q. Did he talk about it?—A. No.

Q. There never was any talk or collusion between Mr. Clarry and yourself in regard to the matter?—A. No, not in the slightest degree.

Q. Did you ever know what Mr. Clarry was getting out of it?—A. I heard some talk about it, and I heard him talking over the phone to Andrew Birdsall when he said that it was 15 per cent. it was a large claim, and Birdsall told me he didn't employ him because I went up there and Birdsall told me about it, and I said to him, 'You needn't employ a lawyer because neither Clarry nor any one else can do you any good with me.'

Q. You heard that in that case?—A. Yes I was sitting in Mr. Clarry's office and heard him telephone to Birdsall. I told Birdsall, 'If you want to employ a lawyer you will have to pay him, but it won't affect my award in the slightest degree.'

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Q. Did Birdsall employ any lawyer?—A. I don't think so.

Q. Is his claim paid?—A. No, it is not settled yet.

Q. Do you mean it is not arranged with you or that it is not paid by the government?—A. He has settled with me, but the government thought I was giving too much and it is in abeyance yet.

Q. That is one claim that has not been paid?

*By Mr. Lennox:*

Q. How much is the amount?—A. Over \$6,000. He had a very large claim, I remember another case where the government thought I was paying him too much and asked me to revise my award and I said, 'No, I am not giving that man any more than he is entitled to be paid.'

Q. What was his name?—A. Hogg.

Q. We had one man of that name, how much did he get?—A. \$2,000 he got. I don't remember whether there was any correspondence in the Birdsall case, but I do remember when sending in my report saying that in proportion to the amount of land injured I thought it was the best bargain I had made for the government.

Q. He didn't want very much. Now, Henry Humphries?—A. He was the first gentleman I met.

Q. Tell us what you did with Mr. Humphries.—A. My first recollection of Mr. Humphries was in 1908. Mr. McClellan told me that there was a man named Henry Humphries living 3 or 4 miles from Hastings who had put in a claim through Mr. Clary and asked me would I go out and see it. He wrote Mr. Clary asking would Mr. Humphries meet me and drive me out to the place at a certain time. I went down there and went over the lot, and I went over an adjacent lot which was owned by a minor for which he was guardian, which he said was also damaged. He told me that Mr. Aylesworth some years before had allowed him \$20 per acre for 40 acres, and I replied, 'I am not going to interfere with Mr. Aylesworth, I would not allow as much as he would perhaps, and I sat down to write out an offer of settlement on the basis of Mr. Aylesworth's valuation. He said, 'I signed a paper like that 8 years ago for Mr. Aylesworth,' and I replied, 'What am I here for then, if this case is disposed of?' He wouldn't take what I offered for his nephew, and I said, 'All right, let it remain', and I heard no more from Humphries until along in the beginning of May when Mr. McClellan showed me a letter from the department stating that the solicitor had examined Mr. Humphries' title. Mr. Humphries had claimed 200 acres of land, and they found he only owned 163 and that Mr. Aylesworth had valued a portion of that land which had been sold, Mr. Humphries denied that that portion sold had been valued by Mr. Aylesworth and the letter said to send Dickson down to verify that. I went down and saw Mr. Humphries and said to him, 'I want you to show me that land you sold off this lot.' We went to the west end of the lot and I requested him to give me the metes and bounds of it, and he said, 'It extends all along the front for a half the depth of the west half of the lot, that will be 37 acres.'

*By Mr. Lennox:*

Q. That would be the total of what he had sold.—A. Yes. Then I said, 'Is this a portion of the land that Mr. Aylesworth valued or not,' that was what I went there to find out, and he said that it was, and he and I walked over it and I said there is about 8 acres of land here and he said, 'I think that is about correct,' I said, 'I think there will be about 15 acres of this marsh', and he said, 'There are 20 acres.' I said, 'We are not allowing anything for marsh now,' and added 'that never was land at all, it couldn't be land when there was 2 feet of water on it.'

Q. You refused to allow for the marsh?—A. I refused to allow for the marsh and Mr. Humphries said that Mr. Aylesworth never went over it at all but took his word for it. I was prepared to take that with a grain of salt, because I didn't believe what he said, I have known Mr. Aylesworth for many years and he wasn't that kind of man. Taking that 20 acres of marsh, and 8 acres that had been sold made 28 acres out of



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the 40 which Mr. Aylesworth had allowed him for, and I said 'That will leave 12 acres, which at Mr. Ayle-worth's valuation, would make \$240', and I reported to the government accordingly.

Q. And you were willing to stand by Mr. Aylesworth's valuation?—A. Yes, but I would not have put it so high.

Q. Was that greater than you had been allowing people in the same neighbourhood?—A. Yes.

Q. You wouldn't interfere with Mr. Aylesworth's valuation?—A. I would not interfere with it, he was a gentleman for whose judgment I have a very high respect, and I would not interfere with his work.

Q. So that was \$240 you were willing to allow him?—A. Yes.

Q. Did he accept it?—A. I understand he didn't. I haven't seen him since until I saw him the other day before the Commission in Hastings.

*By Mr. Carvell:*

Q. Well, now, did you in any case, Mr. Dickson, allow damages for land in your judgment had not been flooded?—A. I did not.

Q. You did not?—A. I did not.

Q. And when you came to these people along the Ouse river that would be—A. As a general thing if there was a dispute as to an acre or so I used to give the people the benefit of the doubt, the poor people that owned the land.

Q. Take the case of G. A. L. Humphries. Was his land damaged?—A. It was.

Q. James Warner?—A. Yes.

Q. Thomas Davidson?—A. Yes.

Q. John Breckinridge?—A. Yes.

Q. Mrs. Birdsall?—A. Mrs. Birdsall, I don't know. It was Mr. Aylesworth's valuation.

Q. And John Sargent?—A. Yes.

Q. All these lands were damaged by water?—A. Yes.

Q. As the result of the big overflow from the Hastings dam?—A. I have not the slightest doubt of it.

Q. Are you aware, Mr. Humphries says most of these with one or two exceptions are not damaged?—A. I heard him say so.

Q. What do you say about it?—A. I say it is not true.

Q. They were damaged?—A. They were damaged.

Q. And everything that you allowed was in your judgment an honest valuation for the damage sustained?—A. An honest valuation. Yes. I told the people: 'The government don't want to wrong you out of a dollar, and I want to see that you don't wrong them out of a dollar, and I will try as far as I can and judge between you.'

Q. And what you did, you did regardless of Mr. Clarry or any other lawyer?—A. Or anybody else.

Q. You spoke of a percentage of people who were reasonable, I think you said about 10 per cent, who left it to your judgment?—A. I think they would be about that. They would not say any amount at all. They said, 'We will leave it to you to do what you think is right.'

*By Mr. Lennox:*

Q. They would not mention any figures?—A. No.

Q. They left it to you to mention in whatever was signed?—A. And whenever they did that I mentioned it in the offer of settlement.

Q. Are you speaking generally or of these claims of Clarry as well?—A. Generally.

Q. And would the same thing apply to the claims put in by Clarry?—A. Yes. There is no doubt in the world no matter who put them in.

Q. The tariff was the same whether Clarry or any person else put them in?—A. Yes.

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Q. You took this letter, you say, to the Grahams?—A. I took the letter.

Q. And Mrs. Graham met you outside, is that right?—A. Yes. I never got out of my buggy, and she came along to the buggy and took the letter.

Q. You gave her the letter?—A. Yes.

Q. Did you tell her who it was from?—A. I don't think so. I said, 'Here is a letter I wish to leave with you.'

Q. And you spoke about claims for damages?—A. Yes.

Q. What did you say about it?—A. She said, 'I don't know anything about it, the boys are not in.'

Q. What did you say to her about the claim?—A. I said, 'I understand you have a claim for damages for drowned lands here.'

Q. What did she say?—A. She either said 'We have no claim' or 'I don't know anything about it, the boys are not in.'

Q. You stated that what she said would not prejudice her claim at all? She said that she did not know of any claim?—A. I think those were her words, and I told her I would not allow that to prejudice the claim.

Q. And so far as any claim from her was concerned, she did not put in any claim, as far as anything she said at the time?—A. Yes.

Q. And she was the owner of the land?—A. When the young man and I were looking over it he said, 'It belongs to my mother,' and I said, 'I have got to deal with her and not with you.'

Q. From her you learned she was not making any claim, and was it then you said she need not employ a lawyer?—A. It was when the young man and I were walking in the field, before we came into the house.

*By Mr. Carvell:*

Q. But later on, on another occasion in town?—A. I have never been there since.

*By Mr. Lennox:*

Q. I am speaking of the time you took the letter in February?—A. Yes.

Q. You did not say anything to her then about not employing a lawyer?—A. Oh, no.

Q. Because she was not professing to have a claim?—A. I never mentioned any such thing.

Q. Then afterwards they came to Peterborough and put in a claim?—A. The young man did, and I chanced to be in the office when he came in.

Q. They put it direct into the hands of Mr. Clarry?—A. Yes.

Q. And was it then you said about not employing a lawyer or later?—A. It was when I was in the field at their place.

Q. When you went to examine the property?—A. Then we spoke.

Q. And then you said he need not employ a lawyer?—A. Yes.

Q. And you said you told other people they need not employ a lawyer?—A. Whenever the question of employing a lawyer came up I invariably—

Q. You told other people they need not employ a lawyer?—A. Yes.

Q. It was after their claim was put in?—A. I usually knew they had put in their claim. Of course, their claim had been put in.

Q. You never came into contact with them before they put in their claim?—A. Certainly not.

Q. How many acres did you find were damaged at the Graham place?—A. I think it was 12.

Q. And the claim was how much an acre?—A. \$5.

Q. There was a claim then for \$60?—A. \$60. You see, Mr. Lennox, the further up the river we went I considered the damage less.

Q. Certainly, the whole thing is not to go too far?—A. Yes.

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Q. Did the boy ever tell you he would not employ Clarry?—A. I think he did. I don't recollect the words exactly. He told me, at any rate, he was not going to employ a lawyer, and I said, 'You need not.'

Q. Did he not tell you he would not have anything to do with Clarry?—A. I don't remember his words. You have got his evidence here. I forget the words.

Q. He gave you to understand he was not going to employ Mr. Clarry, did he?—A. Or any lawyer.

Q. Or any lawyer?—A. I told him they did not need to.

Q. Now, about Henry Humphries. You ascertained when you examined the property—I don't know whether it was the second time or not—when you went down there, that he had sold 37 acres? You came to the conclusion that eight acres of what he had sold were included in the 40 acres valued by Aylesworth?—A. He told me so.

Q. He thought so and you thought so?—A. Yes.

Q. It was about eight acres?—A. The damage was all along the front of his lot.

Q. It does not make any difference where it was; when you and he examined these 37 acres you came to the conclusion that eight acres of that was damaged land?—A. Yes.

Q. And that you could not allow anything for that, as it was not his land?—A. No, it was not his land.

Q. Then, there were 20 acres of what had been included by Mr. Aylesworth that you regarded as marsh?—A. Marsh, and would not allow anything.

Q. And you were not allowing anything for marsh?—A. No.

Q. Those two added together cut off 28 acres of his claim?—A. Yes.

Q. And left 12 acres to be accounted for?—A. Yes.

Q. Now, they had formerly paid for marsh lands, I understand?—A. I don't know what they did before I went to it.

Q. I thought you might have ascertained from your general experience. From a statement that was made here the other day I inferred that at one time the department did allow for marsh lands. Do you know whether that is the case?—A. No, I don't know anything about it. Might I ask one question? I would like to know who charged me with this crime, for it is a crime, and I feel very keenly about it.

Q. I can only answer for myself. I did not charge you with any crime.—A. Mr. Humphries said he did not charge me with any crime. My name has been brought in as being in collusion with Mr. Clarry, and it should not. I want to know if it can be found out. I feel it very keenly, and my family also feel very keenly over it.

Mr. LENNOX.—If you will listen to me a moment, I read in the House a letter that was sent, that went to the Graham's with a blank retainer and I stated that you carried that to the Graham's?—A. I read that and that was the first thing I knew of the contents of the letter.

Q. You can have the *Hansard* if you like and read it.—A. Well, that was the first I knew of the contents of the letter.

Q. I didn't know whether you were guilty or whether you were not?—A. No, you didn't.

Mr. CARVELL.—I suppose you will say now that he is not guilty, won't you?

Mr. LENNOX.—I will say that Mr. Dickson has given evidence to my mind in a most satisfactory way.

A. If there is any other witness who can give anything either for or against me I want him to be brought here.

Mr. LENNOX.—I want to congratulate Mr. Dickson in a public way, and to repeat what I told him yesterday, jocularly, when he said that he understood I had heard something bad about him. 'I haven't at any time heard anything bad about you.'

Witness discharged.

Committee adjourned.



## HOUSE OF COMMONS.

COMMITTEE ROOM No. 32.

WEDNESDAY, April 13, 1910.

The Committee on Public Accounts proceeded to the further consideration of a payment of \$6,146 to persons in Asphodel Township in connection with flooding of lands as set out at W-22, a payment of \$389 to parties in the township of Percy as set out at W-23, and the payment of \$150 to Fowlds Company, Hastings village, as set out at W-23, report of Auditor General, 1909. Mr. Warburton presiding.

Mr. LENNOX.—I do not know whether Mr. Carvell would care to call Mr. Humphries. I will call him if he likes.

Mr. CARVELL.—You can call him.

Mr. LENNOX.—We both subpoenaed him.

HENRY HUMPHRIES, called, sworn and examined:

*By Mr. Lennox:*

Q. Mr. Humphries you are a resident of the township of Asphodel?—A. Yes.

Q. And you have lived there all your life?—A. Yes.

Q. And you are a man of what age?—A. Over 70.

Q. Your property where you live borders on the River Trent, does it?—A. Yes.

Q. North of the Trent?—A. North.

Q. And you had a claim against the government?—A. Yes.

Q. For drowned lands or flooded lands?—A. Drowned lands.

Q. And that claim has been existing for how many years?—A. Sixteen years.

Q. Practically in the same condition as it is now?—A. Yes.

Q. It was inquired into by Mr. Aylesworth, I believe?—A. Yes, the late W. R. Aylesworth of Belleville.

Q. Some 16 years ago?—A. 16 years ago this spring.

Q. And the amount was adjusted then?—A. Yes.

Q. At how much?—A. \$20 an acre for 40 acres.

Q. You then owned the 40 acres?—A. Yes, I owned the 40 acres. I owned the whole land, 100 acres.

Q. At one time you had that claim in the hands of Mr. Clarry?—A. Yes.

Q. How did that arise?—A. Well, it was after about two months. I did not sign the papers with Mr. Aylesworth until two years ago in October. I did not see him again for 14 years.

Q. You signed the papers with Mr. Aylesworth in October of 1899?—A. 1898.

Q. 1908, I suppose, you mean?—A. Yes, 1908. It was October.

Q. After signing those papers with Mr. Aylesworth did you have any communication with Mr. Clarry?—A. I did not hear anything about them after they were signed for about two months. It was after the holidays.

Q. What do you mean by the holidays?—A. The holidays in January, 1909. I did not hear anything of them at all nor about the claim nor anything else until I was in Hastings one day and Mr. Clarry called me into his office.

Q. Had you had any communication with Mr. Clarry up to that time?—A. No.

Q. That was in January, 1909?—A. Yes.

Q. He asked you to come into his office?—A. Yes.

Q. That is L. F. Clarry?—A. L. F. Clarry of Hastings.

Q. Well, he asked you to come into his office; what then?—A. As near as I can

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recollect I have no dates, the first thing he asked me was if James Warner had any drowned land.

Q. Yes, James Warner?—A. Yes.

Q. That is the same man as James A. Warner?—A. I think so. James Warner we call him there and I said he had no drowned land.

Q. Did you know Mr. Warner's lands?—A. Oh, yes.

Q. Was that correct that he had no drowned lands as you considered?—A. Yes.

Q. What did he say then?—A. Well, in the course of conversation he asked me about my claim.

Q. Did he tell you why he asked about Warner?—A. Well, he was going to put a claim in, he was talking about putting in a claim for drowned land.

Q. Did he tell you he had a claim for Warner?—A. No, not at that time. They were talking about it.

Q. Then he asked you about yours?—A. Yes.

Q. What did he say about that?—A. He asked me if I had got mine yet and I said no, that I had heard nothing from Mr. Aylesworth, that it was in his hands, and he said it is not in his hands now, it is out of his hands.

Q. In January, when you said it was in Aylesworth's hands, he said it is not in Aylesworth's hands, it is out of his hands, what else?—A. That Mr. Dickson was the valuator. Of course I did not know any difference. I had not heard anything more from Mr. Aylesworth and when he told me that I took it for granted it was.

Q. He seemed to know?—A. Yes.

Q. Well, what then?—A. Well, then he wanted me to put it with him.

Q. Wanted you to what?—A. To give it to him.

Q. To give your claim into his hands?—A. Yes.

Q. Did he give any reason why you should do that?—A. Well, he told me, Aylesworth has nothing to do with it now and of course I did not know any better.

Q. He asked you to put your claim into his hands?—A. I supposed the thing was all right. He had had the settling of the claims.

Mr. CARVELL.—Let the witness tell what took place.

*By Mr. Lennox:*

Q. Tell just what he said. He said you should put your claim into his hands. Did he give any reason. You said because Aylesworth had nothing to do with it.—A. That is all the reason he gave.

Q. That Aylesworth had nothing to do with it?—A. Yes.

Q. Was there anything said about terms in case you put it in his hands?—A. Yes, he wanted twenty per cent.

Q. He asked twenty per cent on what was recovered?—A. Yes.

Q. What did you say to that?—A. I told him that was high. I thought it was too much. Of course I was doubtful at the time whether he could take it or not, but I did not say anything.

Q. You told him however it was high?—A. Yes.

Q. And when you said to him it was high, what happened?—A. Well, he cut it down to fifteen per cent.

Q. He said he would take fifteen per cent?—A. Yes.

Q. Did you agree to take it?—A. Yes, I did, that day.

Q. Put it in his hands and pay fifteen per cent?—A. Yes.

Q. You have already said that he said the matter was in Dickson's hands?—A. Yes.

Q. You told him you would give him fifteen per cent?—A. Yes.

Q. Out of what? Paying fifteen per cent or fifteen per cent out of the moneys, or how was it to be paid?—A. He wanted fifteen per cent out of the moneys and I said to him, he would have to get fifteen per cent over and above the \$800.

Q. You said you would allow fifteen per cent but he must get the fifteen per cent out of the government and give you the net \$800?—A. Yes.

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Q. Did he agree to that?—A. Practically he did.

Q. Did you sign a retainer?—A. I signed a retainer, but those words were not in the retainer. It was fifteen per cent. It was underlined. It was to be satisfactory.

Q. Satisfactory to whom?—A. To me.

Q. That is what you understood he meant?—A. I understood that to mean that he would get fifteen per cent over the \$800.

Q. Was that the bargain?—A. That was the bargain.

Q. Then you signed the retainer and went away?—A. I did.

Q. He was to get the full amount from the government and to gather fifteen per cent to himself?—A. Yes.

Q. Supposing he only got the \$800?—A. Well, he would only get paid for looking the title up.

Q. By the government?—A. Yes.

Q. He would not get anything out of you?—A. No.

Q. Did that practically end the interview at that time?—A. It did.

Q. Then what was the next thing that occurred?—A. Well, the next thing occurred when I got word that he could get \$800 but no more and he wanted to see me.

Q. You got word from him?—A. From him.

Q. That he could get the \$800 but no more?—A. No.

Q. What else?—A. He gave me to understand that he was to examine the titles and he asked me for my title itself.

Q. To examine titles for whom?—A. For me.

Q. Not for you. He did not want your title examined. Did you employ him to examine your title?—A. No, I did not employ him.

Q. Examine on whose behalf?—A. On the governments behalf. He was employed by the government to examine the titles.

Q. He was to examine the titles and he wanted your deeds?—A. Yes.

Q. And you gave them to him?—A. I did.

Q. When you saw him the first time in January or February whenever it was—

Mr. CARVELL.—Or December. As a matter of fact it was in December.

*By Mr. Lennox:*

Q. You gave him the title deeds?—A. I did.

Q. So that he could look into the title?—A. Yes.

Q. Then what was the next thing you recollect with reference to him?—A. Well, it came back from the government's hands that I had deeded 37 acres.

Q. But before that. When was the retainer torn up, destroyed?—A. It was torn up before that.

Q. Was it torn up?—A. When I found out he was getting paid by the government.

Q. You did find out he was getting paid by the government?—A. Yes.

Q. How was that suggested to you?—A. In Peterborough.

Q. Some person talking to you told you that?—A. Yes.

Q. When you found that out what time was that?—A. It was in January, either the last of January or the first of February. I cannot say from memory.

Q. You find out he was getting paid in the government also?—A. Yes.

Q. And did you go to him?—A. Yes.

Q. And what was done?—A. He tore it up.

Q. Did you tell him that?—A. Yes.

Q. You told him that he was getting paid by the government as well, and what did you tell him you wanted to do?—A. I told him I would not give him a cent, if he got anything he would have to get it over and above the \$800.

Q. Did you have a copy of the retainer?—A. Yes.

Q. You took it into him. You wanted to put an end to it?—A. Yes.

Q. He had the retainer signed by you?—A. He had.

Q. And where they both torn up?—A. Both torn up.



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Q. Because you wanted it torn up?—A. Yes.

Q. You said you would have nothing more to do with it?—A. Nothing more to do with it.

Q. But you asked to have it destroyed?—A. I did not ask him to do it. I said I would have nothing more to do with it.

Q. You tore yours up?—A. I tore mine up and put it in the stove.

Q. Did he tear his up?—A. Yes.

Q. At that time did he get your deeds?—A. Yes.

Q. At that time had any question arisen as to the ownership of the 37 acres of land. Had you said anything about the 37 acres of land?—A. No, it was after that.

Q. It was after that the question of the 37 acres being sold came up?—A. Yes.

Q. How did that arise. Before anything came up about the 37 acres of land you and Mr. Clarry had parted company?—A. Yes.

Q. When did you hear about the 37 acres?—A. It was shortly after that.

Q. That objection was taken that you had sold 37 acres?—A. Yes.

Q. Had you thought of it before that?—A. Never. I did not think it would make any difference.

Q. It never occurred to you that it would make any difference?—A. No.

Q. You had had that land at the time it was valued by Mr. Aylesworth, and you had kept it for many years afterwards, and you had sold a portion of it, and you thought you were still entitled to full compensation?—A. Yes, I sold part of the dry land, not the drowned land.

Q. Did you say that these 37 acres did not embrace any of the drowned land?—A. Not a bit.

Q. Because Mr. Dickson says it embraced eight acres of it?—A. It does not.

Q. You are positive about that?—A. Yes.

Q. You know the land?—A. I know the land. I had it measured.

Q. And you know what was drowned?—A. Yes, I had it measured.

Q. You learned that they were objecting to it on the ground that there was some portion, 37 acres, which affected the question, sold off?—A. Yes.

Q. What then happened?—A. Well, I explained it to Mr. Clarry.

Q. Did he write to you to come in and see him about it?—A. I think he dropped me a letter from the office. I explained how it was done.

Q. You did. There was no portion of the drowned land on the 37 acres?—A. No portion of it at all.

Q. Did you satisfy him about it?—A. He seemed to be satisfied.

Q. That that was correct?—A. Yes.

Q. At what time did Mr. Dickson come on?—A. He came on afterward.

Q. Would that be the next event?—A. I think it was.

Q. You went with Mr. Dickson, I presume, and showed him the land that was drowned?—A. I did.

Q. You claimed there were 40 acres drowned?—A. Yes.

Q. He looked at it?—A. Yes.

Q. Didn't measure it, I suppose?—A. No.

Q. Did you, as a matter of fact, have 40 acres of drowned land independently of those 37 acres?—A. Yes.

Q. And have it still?—A. Yes, have it still.

Q. And you have no money for it?—A. No money.

Q. And you pointed it out to him. What did he say?—A. He said that was marsh, that was not drowned land.

Q. Didn't you say it was marsh?—A. No; I did not.

Q. You are positive about that?—A. I am positive about that.

Q. I understood Mr. Dickson to say that you said 20 acres of marsh. At all events, he told you they did not pay for marsh land now. That is correct?—A. Yes,

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he said that. I told him it was not marsh because I had seen it with as good a growth of timber on it as there was in the country.

Q. Any stumps?—A. Yes, they are sticking there to-day.

Q. Good-sized stumps?—A. Yes.

Q. So there was actually a growth of green timber on that land before it was drowned, and it never was marsh?—A. Never was marsh.

Q. Not a foot of it?—A. No. I have walked out around it where the drowned land is now.

Q. Had you that land in the family. Did that belong to the Humphries when you were a boy?—A. Yes, my father bought it.

Q. How long ago is it since you walked along the shore, the beach, as we call it?—A. About 65 years ago.

Q. How old are you now?—A. I am over 70.

Q. You were a very small chicken?—A. Small or not small I have been round that land and in that river swimming. I have been alongside it all this time.

Q. I understand Mr. Humphries that you claim that there should be no reduction made on your claim?—A. I do.

Q. That there is no marsh?—A. No marsh.

Q. On that property?—A. No.

Q. And that there is no portion of these 40 acres that belongs to the 37 acres that you sold?—A. No. Well, I owned the whole land. No drowned land on the 37 acres. That is dry land. You cannot sell drowned land now. If you want to sell a piece of drowned land you have to give it away.

Q. You both sold and give it away?—A. I just deeded it away.

Q. You sold 37 acres?—A. Yes.

Q. To whom?—A. My youngest son.

Q. Anyhow you claim you are entitled to the payment for the full 40 acres now?—A. Yes.

Q. Independent of part being deeded?—A. Exactly.

Q. Are you in a position to prove that that is not marsh. I mean is that well known to your neighbours and to people up there that those 20 acres are not marsh?

Mr. CARVELL.—Don't answer that. He is asking what the neighbours think about it.

Mr. LENNOX.—Not what they think about it but the people living in the neighbourhood would know that as well as he.

Mr. CARVELL.—My learned friend is asking what his neighbours could prove.

Mr. LENNOX.—I am merely wanting to ascertain the situation. I am not going into the question of his title. Then Mr. Humphries what was the number of this lot?—A. Lot number 2 in the 4th.

Q. In the 4th concession of Asphodel?—A. Yes.

Q. One hundred acres?—A. Yes.

Q. And when you put in your claim to Mr. Aylesworth you put it in as a claim on that particular property?—A. Yes.

Q. And you did not pay any particular attention to the fact that in the meantime you had deeded away 37 acres of those 100 acres?—A. I never thought about it at all. I did not think it would affect it.

Q. When was it you deeded those 37 acres?—A. It must be three or four years ago or more. Three or four years anyway.

Q. And you had suffered all the loss and inconvenience of this drowning for those 10 or 12 years, in fact long before that?—A. Oh, yes.

Q. But between the time it was valued by Aylesworth and the time you sold it, some ten or twelve years had elapsed and nothing had been done?—A. Nothing had been done.

Mr. CARVELL.—I think we will adjourn now.

The committee adjourned until 3 o'clock in the afternoon.

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The committee resumed at 3 p.m., Mr. Warburton presiding.

HENRY HUMPHRIES recalled and further examined:

*By Mr. Lennox:*

Q. We were speaking, I think, of the eight acres? Now, you say that those 37 acres are entirely distinct from the 40 acres for which you claim compensation?—A. The 37 acres are dry land.

Q. Here is a sketch. Does this show fairly well the shape of it? Are those the 37 acres there?—A. It is along this northern line.

Q. What does this represent here, we will call it B?—A. That is drowned land.

Q. Along the river somewhat in the shape here shown?—A. Yes.

Q. So your drowned lands do not touch the 37 acres at all?—A. These are the 37 acres adjoining number 3.

(Sketch put in).

Q. Then you got a conveyance back of this property, did you?—A. Yes.

Q. From whom?—A. My son.

Q. That is the person to whom you conveyed it?—A. Yes.

Q. When did you get that?—A. This last winter some time.

Q. Some time last winter?—A. Yes.

Q. And have you notified the department that you had that deed?—A. Yes, I think so.

*By Mr. Carvell:*

Q. Did you say you were not sure?—A. Yes, I notified the department.

*By Mr. Lennox:*

Q. I see from the letters on the file something of that kind. Well, then you remember coming here to Ottawa intending to see Mr. Graham?—A. Yes.

Q. When was that?—A. A year ago last Easter, the day before.

Q. On the Saturday after Good Friday, the Saturday before Easter Sunday?—A. No, I think it was the day before Good Friday.

Q. It was about Easter last year?—A. Yes.

Q. You came here intending to see Mr. Graham and he was not here?—A. No.

Q. You saw whom?—A. I saw the deputy.

Q. Mr. Butler?—A. Yes.

Q. Did you say anything to him about Mr. Clarry?—A. I showed him that letter.

Q. What letter?—A. The Clarry-Graham letter.

Q. You showed him the letter that Clarry had written to Graham?—A. Yes.

Q. You had it with you?—A. Yes.

Q. And had you also that thing we call a retainer?—A. Yes.

Q. Had you that with you?—A. Yes.

Q. Did you show him that?—A. Yes.

Q. And the retainer?—A. Yes.

Q. Did he read it?—A. Yes.

Q. He read them both?—A. Yes.

Q. Did you leave a copy with him?—A. Left a copy.

Q. Of both the letter and retainer with Mr. Butler?—A. Yes.

Q. Did you ask him to do anything or did he say he would do anything?—A. He said he would look into it, that is all.

Q. Did he say whether he would notify you or not?—A. No.

Q. He said he would look into it?—A. Yes.

Q. Is that all he said?—A. That is all.

Q. Then, I suppose, you had a conversation about your own title?—A. No.

Q. Nothing about that?—A. No.

Q. You wanted to see Mr. Graham and you were disappointed at not finding him here?—A. Yes.



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Q. Inasmuch as you have made a declaration I might as well ask you a few questions about the flooding although I do not hinge very much upon that. It is not a point I expect to prove very conclusively. You told us about living in the township all your life?—A. Yes.

Q. And you know the lands and a number of the parties who are being paid in the township of Asphodel?—A. Yes.

Q. You know Warner's land do you?—A. Yes.

Q. James A. Warner's land. Is that drowned land?—A. Not to my knowledge. It ain't drowned.

Q. Do you know the conditions up along the Ouse there for three or four miles where it enters into the Trent?—A. Yes.

Q. And I suppose there is some flooding in the springtime?—A. Yes.

Q. What is that occasioned by?—A. By freshets coming down from the two branches of the Ouse in the spring when the snow goes off. The snow goes off in the spring.

Q. Does the water dam up in any way?—A. Down at the Trent.

Q. I am talking about the Trent. Does it pass through cleared land or through woods?—A. Some cleared land and some woods.

Q. Is there a good deal of woods?—A. Yes, quite a lot.

Q. Is there much brush and stuff of that kind in these woods?—A. Considerable there.

Q. A lot of low swampy lands?—A. Low lands.

Q. So there will be a good deal of obstruction in the neighbourhood of the Ouse?—A. Yes.

Q. Has there been any damming up along the Ouse there occasioned by high water in the Trent. Has there been any water held back up along the Ouse by reason of the high water in the Trent?—A. To a certain extent, a certain distance.

Q. How far would that extend back?—A. A mile probably.

Q. As much as a mile?—A. Some places.

Q. That is more than the depth of the lot?—A. Yes.

Q. Up to whose property would you say?—A. Well it comes up across number 1 and into number 2 on the third concession.

Mr. CARVELL.—Kindly give us the names of the occupants. We do not know them.

*By Mr. Lennox:*

Q. Take John Sargent's lot. Does it come up to John Sargents lot at all?—A. It just about touches the south side of John Sargents lot.

Q. That is the south half in the second?—A. Yes.

Q. Would it cause flooding on John Sargent's lot? I mean does it drown John Sargent's lot?—A. It would flood part of it, the south part.

Q. What time of the year?—A. Just now.

Q. Do you know how many acres?—A. No.

Q. Do you know a portion of his lands upon which timbering was done by the Fowlds Company?—A. Yes.

Q. You know that portion?—A. Yes.

Q. Have you been through there recently?—A. Yes.

Q. And you knew it before?—A. Yes.

Q. Would it flood that land where that timber was taken out?—A. Yes, it is flooded now.

Q. Flooded now?—A. Yes, part of it.

Q. By reason of damming back from the Trent?—A. From the Trent.

Mr. CARVELL.—On what land would that be? I do not know those lands by their numbers?

Mr. LENNOX.—We are speaking of Sargent's.

Mr. CARVELL.—That is where Fowlds timber was?

Mr. LENNOX.—Yes.

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*By Mr. Lennox:*

Q. Would it go any further north than that lot?—A. Not to my knowledge.

Q. It would flood a portion of John Sargent's land. You say you know the portion on which the Fowlds took off the timber?—A. Yes.

Q. From what you know of their taking off timber, was that drowned land?—A. No, it wasn't.

Q. What kind of timber was taken off?—A. Elm and ash.

Q. For lumbering purposes?—A. Lumbering.

Q. Green or dry?—A. Green.

Q. Green timber. That was a few days ago?—A. Ten years ago, about that, I think.

Q. Before I deal with those individuals, I might ask you something about the condition of the Trent. Mr. McDellan tells us that they put in stop logs, although the dam is not any higher down at Hastings, that they managed their stop logs further up stream so as to conserve the waters for the dry season, to keep the waters available for navigation purposes in the dry season. You know something as to the condition of that, I presume?—A. Yes.

Q. Now, what is the condition of water, say, at this time of the year; it is a little earlier this year than usual, is it?—A. Yes, it is earlier.

Q. What time of the year is the high water, irrespective of the management of those stop logs? He says that has been during the last five or six years. What is the season of high water in the Trent?—A. The first week of May as a general thing.

Q. And how long does it last?—A. It will last ten days or two weeks high water and then start to go down.

Q. I mean without regulating it by stop logs or anything of that kind?—A. Yes.

Q. It is down, I suppose, by the middle of May?—A. Yes.

Q. Was that the time of the high water along the Ouse, I mean after you go along the first mile or so. Is that the time of high water in the Ouse?—A. Yes.

Q. Would that correspond, would the time of high water in the Ouse be the same time as high water in the Trent?—A. Yes, that is at the mouth.

Q. I say after you pass the first mile up, for the first mile?—A. Yes.

Q. And after the first mile, would it be over in the Ouse before it would be over in the Trent?—A. It would be over in the Ouse.

Q. So that the flooding along the Ouse, with the exception of the first mile, would be all over before high water in the Trent?—A. Yes.

Q. About keeping up the waters, during the last five or six years, have you had somewhat higher water, I mean during the scarce time of water, than you had during previous years?—A. Yes, it has been kept up.

Q. When the waters went down after the flood time, how much would they fall after the flood was over?—A. They would go down two or three feet.

Q. Then by reason of putting those stop logs in during the last five or six years they have brought the water back to the high water mark, or is it just between the high water mark and the low water mark. What is it?—A. It is between.

Q. How have they increased the ordinary summer or autumn water, by how many inches?—A. Probably a foot.

Q. They have increased the ordinary normal condition of the water during the scarce time by use of stop logs?—A. From 8 to 10 inches or probably more, may be a foot.

Q. Possibly a foot?—A. Yes.

Q. And it would still be very far below the ordinary high water of the spring?—A. Oh, yes.

Q. A foot or so?—A. Oh, yes.

Q. Maybe more?—A. Maybe more.

Q. What time of the summer is that perceptible that you have higher water than you used to have. What time of the year?—A. August and September.

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Q. And in August and September when you have the water higher than it otherwise would have been you say it would be a foot or more than what you call spring-tide?—A. Oh, yes.

Q. And has it affected the Ouse in any way? Would it affect the mouth of the Ouse having those stop logs in?—A. It would to a certain extent, certainly.

Q. But it would not bring it up to high water mark?—A. No.

Q. So it would not flood back very far?—A. No.

Q. How far would you say it would flood back by reason of this preservation of the water?—A. I do not think it would go back further than a mile.

Q. Not further than a mile at its highest point?—A. It would not affect it as far.

Mr. CARVELL.—Just a moment, please. You should let the witness go on.

Mr. LENNOX.—He is an intelligent witness and I would not think that if the water is a certain height and you log it a foot it would not go so far up stream as it would go otherwise.

THE WITNESS.—Certainly, it would affect it so far as the foot is concerned.

*By Mr. Lennox:*

Q. So you would not say it would flood as far as it would at the high water mark?—A. Certainly not.

Q. And as to flooding back as far as Sargent's, have you ever known it to flood back by reason of floods in the Trent?—A. Yes.

Q. That is, as far as you have known by reason of the flooding in the Trent is up as far as Sargent's. Is that correct?—A. Yes.

Q. Now, we will take C. M. Birdsall. Is that land flooded by reason of the waters in the Trent?—A. Not to my knowledge.

Q. Then there is Mr. Breckenridge's here. You sold some land to one of them?—A. Yes.

Q. Which one?—A. Matthew.

Q. What lot was it?—A. Lots 2 and 3, the west half of 2 and 3 in the third concession.

*By Mr. Carvell:*

Q. Would that be further up the Ouse?—A. It does not touch the Ouse at all. It is east of the Ouse.

Mr. LENNOX.—It is north of the Ouse.

*By Mr. Carvell:*

Q. It would front on the Trent?—A. Number 1 is in front of it, a broken lot.

*By Mr. Lennox:*

Q. But it is further north and east than the Sargent's lot, I think?—A. Yes number 3 is north and number 2.

Q. Due east?—A. Yes, due east.

Q. You sold that land?—A. Yes.

Q. Is any of that land either lot 2 or lot 3 flooded?—A. Part of number 2 is drowned.

*By Mr. Carvell:*

Q. That is now Matthew Breckenridge's land?—A. Yes.

*By Mr. Lennox:*

Q. Any portion of number 3 drowned?—A. No.

Q. None at all?—A. No.

Q. Was that your own property or were you acting for somebody?—A. I was administrator of my brother's estate.

Q. And there was a lot of available timber on that property wasn't there?—A. Yes.



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Q. And did you go carefully over it and carefully count the trees and ascertain the quantities before selling?—A. Yes.

Q. You have a map of it here?—A. Yes.

Q. You have got here in this map 20 acres reserved. Was that part of the property you were controlling running into this road?—A. Yes.

Q. And then there is lot No. 3, that means township lot number 3 in the third concession?—A. Yes.

Q. And then there is lot No. 2 in the third concession?—A. Yes.

Q. Both west halves?—A. Yes.

Q. The whole of the west side of these two lots along the concession line between 2 and 3 was uncleared land, virgin forest?—A. Yes.

Q. And you took pains when you were selling it some time ago to ascertain the quantity of timber?—A. Yes.

Q. And you have got it divided into parcels?—A. Yes.

Q. Was that for the purpose of ascertaining the quantity of timber?—A. Yes.

Q. And you say there is some flooded or drowned lands on lot No. 2?—A. Yes.

Q. Down on the cleared portion?—A. No.

Q. All the south portion of lot 2, all the west half of lot 2 is uncleared as well as the west portion?—A. Yes.

Q. So there is some drowned land in the south part of lot No. 2?—A. Yes.

Q. You handed me a statement this morning of the quantity of timber and trees?—A. Yes.

That you ascertained by actual count, did you?—A. By actual count.

Q. And I have had a copy made of it which I propose to put in:—

Estimate of timber lots 2 and 3 in third concession, Asphodel. Plot 1, pine, 12; maple, 2,375; bass, 320; elm, 250; ash, 325; cedar, 390; hemlock, 165; oak, 1. Plot 2:—Pine, 48; maple, 2,040; bass, 270; elm, 290; ash, 245; cedar, 295; hemlock, 335; birch, 2; oak, 6. Plot 3:—Pine, 1; maple, 1,535; bass, 240; elm, 310; ash, 405; cedar, 575; hemlock, 350; birch, 10; oak, 30. Plot 4:—Maple, 1,265; bass, 215; elm, 425; ash, 980; cedar, 2,005; hemlock, 15; oak, 50. Maple and beech number 1, 1,200 cords; number 2, 1,025 cords; number 3, 800 cords; number 4, 650 cords; total 3,675 cords. Pine, 61, average 18 inches; basswood, 1,045, average 22 inches; elm, 1,255, average 24 inches; ash, 1,955, average 20 inches; cedar, 3,260; hemlock, 865, average 12 inches (1 three feet across); birch, 12, average 22 inches; oak, 87, average 15 inches. Nothing counted under 6 inches.

Q. This shows the quantity of timber that was standing on these two lots at the time you sold it to Breckenridge?—A. Yes.

Q. When was that?—A. Four years ago or more.

Q. Now, plot 1 and plot 2 are on lot 3 and they are set out here?—A. Yes.

Q. Was that dry timber or green timber?—A. Green timber.

Q. Good timber or bad?—A. Good.

Q. Is that dry land or not?—A. Dry land. There is a little bit of swamp on it where that soft timber occurs.

Q. Elm and ash?—A. And cedar.

Q. Hemlock, where does that occur?—A. Between the lower set and the middle.

Q. Was there any flooded or drowned land on that?—A. On the third?

Q. On lot 3?—A. No.

Q. So that if Matthew Breckenridge was paid for flooded or drowned lands on lot 3 it was not right?—A. It is not there.

Q. When was it that you sold to him?—A. It is four years ago.

*By Mr. Carvell:*

Q. Five years, is it not?—A. Probably it is four or five years, I do not pretend to say about dates.

## APPENDIX No. 2

*By Mr. Lennox:*

Well, I do not think I will bother you more Mr. Humphries. You have made a declaration in which you gave a description of what you thought were the lands that were not flooded?—A. Yes.

Q. And you have been examined since before a commission of some gentlemen who were up at Hastings, have you not?—A. Yes.

Q. And you told them what you thought was right?—A. Yes, to the best of my knowledge.

Q. Have you had any reason to change your opinion since the time you made your declaration? You think it is correct?—A. I do not think I could change it any.

Q. It is correct as far as you know?—A. To my knowledge it is.

*By Mr. Carvell:*

Q. I just want to ask you a few questions. I do not seem to have the location of those lands in my mind, like you. I want to see if I can locate those different lots of land. Do you say that John Sargent's land was on the Ouse?—A. The Ouse runs through John Sargent's land.

Q. Then there is a Mr. Birdsell, who got some money from the government, wasn't there?—A. I have heard so. I cannot tell you. The reports say that he did.

Q. Would that be on the Ouse?—A. The Ouse runs through that property.

Q. Then I think the next lot is marked John Breckenridge. Would that be correct?—A. Is it John Breckenridge junior?

Q. I have a little map here and it is marked John Breckenridge?—A. Give the lot.

Q. I was following it up the river. I was trying to see if I was right in the location of those different lots. The next is Davidson?—A. The Ouse runs across a small corner of Davidson's, probably cuts off half an acre. Well, we will say an acre more or less.

Q. That is half an acre or an acre across the river?—A. Yes.

Q. But the Ouse runs through it?—A. Through the southeast corner.

Q. Then there is James Warner?—A. The Ouse runs through his property.

Q. And J. A. L. Humphries?—A. The Ouse runs through his.

Q. I think these are all the parties named in the Auditor General's report as having been paid and their properties all run on both sides of the Ouse?—A. Yes. As to Breckenridge, if you give me the number of the lot I could tell you. There are two John Breckenridges.

Q. It says here John Breckenridge, lot number 2, concession 5. Would that be on the Ouse?—A. No, that is on the River Trent.

Q. Then it is some other man?—A. That is an uncle of the others. That is on the River Trent.

Q. There is Matthew Breckenridge on the west half of 2 and 3. That is the lot you sold?—A. That is the lot I sold.

Q. Now, as I understand it, then you were talking about lands being flooded, you meant lands that are covered the year round. Is that the idea?—A. No.

Q. I beg pardon. What I should have said was when you spoke about lands being drowned you meant covered the year round?—A. That is it.

Q. And when it is covered a portion of the year you call that flooded?—A. I call that flooded.

Q. Now, Mr. Humphries, as a man who has been there all your lifetime and who knows the different values of land, would you consider if these lands were flooded down to some time in the month of June that it would be any damage to the land?—A. Not if there was timber on it.

Q. Well, if it be cleared lands, would you then consider it to be damaged any?—A. Well, now, there is a difference between the two streams. The Ouse runs swiftly and dries away quicker.

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Q. He is the superintendent of the canal at Peterborough. You know there is an official of that name?—A. Yes.

Q. I am not reading this to show you that you have stated anything untrue but that your recollection is probably a little in error. This is dated Hastings, Ontario, December 12, 1908:—‘Mr. Henry Humphries, of the Township of Asphodel, has retained me to look after his interest in the question of claiming damages for his lands and those of the estate of his brother, the late T. C. M. Humphries, caused by the flooding of the waters of the River Trent, above Hastings. Mr. Humphries’ lands are lot 2 in the third and lot 3 in the fourth concession of the Township of Asphodel, and in both lots there are about 80 acres drowned. Shall I make a formal application to you or will it be necessary for me to file our claim with the department at Ottawa? Kindly write me and oblige, Yours truly, L. S. Clarry.’ Now that must have been about the date you were in his office?—A. Well, may be.

Q. Later on you found he had been appointed by the government to investigate your title?—A. Yes.

Q. Didn’t you receive that information from Mr. Clarry himself?—A. Yes.

Q. I thought so. You left the impression this morning that you got this information in Peterborough?—A. No, that he wasn’t entitled to the twenty per cent.

MR. CARVELL.—You left the impression on my mind.

MR. LENNOX.—I did not understand it that way. I knew it to be the other way and understood it that way.

*By Mr. Carvell:*

Q. You got the information from him personally that he was searching titles for the government?—A. Yes.

Q. Then it is the fact that you finally went to Peterborough and you filed your claim there didn’t you?—A. In Peterborough?

Q. Yes—A. No.

Q. Had you not done something before you went back to Mr. Clarry and tore up the retainer?—A. No, I did not file any claim. I had nothing but the one claim.

Q. Didn’t you go to Peterborough and learn the status of the affair?—A. But I put no claim in.

Q. You were in Peterborough?—A. I was in Peterborough.

Q. And you were discussing this question with some of the officials of the Trent canal?—A. Not that question at all.

Q: You were discussing it with somebody in Peterborough?—A. Yes.

Q. And you learned that those claims could be paid without the intervention of Mr. Clarry?—A. Yes.

Q. Then you came back to Mr. Clarry and this deed, the retainer, was torn up?—A. Torn up.

Q. Do you still think that when you made a trade with Mr. Clarry by which you agreed to give him fifteen per cent commission he was to get that over and above the \$800?—A. I do.

Q. You still think that?—A. I do. I told him distinctly.

Q. That is the first intimation we have had as to that? We had Mr. Clarry here and we have all the correspondence and we see nothing in the correspondence which leads us to believe that.—A. The retainer was underlined that it was to be satisfactory.

Q. What was to be satisfactory?—A. That I was to get \$800.

Q. That wasn’t in the retainer?—A. No, but it was underlined in the retainer.

Q. What was underlined?—A. It was to be satisfactory or no pay.

Q. There was nothing in the retainer that said he was to get his commission outside of the \$800?—A. Not in those words.



## APPENDIX No. 2

Q. I am not asking whether you say that or not. From your opinion of the man do you think he would tell what he believed to be true. Would you go that far that you think he would be sincere in what he said under oath. How do you feel about that now?—A. I feel that I cannot agree with him.

Q. Well, you have not answered my question. However, perhaps it is not important.

Mr. LENNOX.—Perhaps he does not like to answer.

*By Mr. Carvell:*

Q. Well, have you ever made any examination of those six or seven lots up the River Ouse during the months of June and July during the last five years to see whether or not they are flooded?—A. Oh, yes, I have seen them lots of times.

Q. I asked if you have ever made an examination for this purpose?—A. Not for this purpose, no.

Q. And you do admit, it has been admitted by everybody, as I understand it, that the water is higher in the Ouse up to a certain distance during the last four or five years than it was before?—A. No, I do not admit that.

Q. I understood you to say that the River Trent was probably a foot higher than it used to be by reason of the conservation work?—A. If the water goes down in the months of August and September, but not at high water.

Q. I did not mean to say that. I am speaking about the summer time. As a result of these conservation works the water is kept higher in the Ouse up a certain distance than it was heretofore?—A. Oh, yes, a certain distance.

Q. You think that distance does not go up very far?—A. No.

Q. Would it be possible that you are wrong as to how far that water backs up in the Ouse?—A. I might be wrong.

Q. Have you travelled over the land in a position to carefully observe exactly how high it would be in the last five years?—A. I have crossed the river at the different bridges.

Q. But would you think you would be able to tell exactly how far the water would back up on the land just by crossing the river?—A. Yes.

Q. You think you could?—A. Pretty near.

*By Mr. Lennox:*

Q. You say you crossed at different bridges?—A. Yes.

*By Mr. Carvell:*

Q. But you have not travelled over the land itself?—A. Not over the land itself.

Q. And the people who have made those claims and those affidavits relating to damage to their lands would be in a position to know more about it than any traveller like yourself travelling along the road?—A. Yes, they would be on it oftener.

Q. And of course they are interested?—A. Yes.

Q. However, you would not like to say that these men would tell what is an untruth for the sake of getting their money?—A. I would not say that at all.

Q. Did you ever have any acquaintance with Mr. Dickson, the valuator, before he came to your place some time ago, a year and a half ago?—A. No.

Q. You did not know anything about him at all?—A. No, not until after he came.

Q. Now, I think you are a little in error about the dates. I find from a return here copies of letters which lead me to believe that Mr. Clarry must have been there and that you must have seen Mr. Clarry the first time earlier than your recollection led you to believe. For instance, you think it would be the latter part of January or the first of February?—A. Yes, January.

Q. I have here a copy of a letter dated the 12th day of December, written by Mr. Clarry to J. H. McLellan. Do you know who Mr. McLellan is?—A. No, I do not know him.

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Q. Quicker than the Trent?—A. The Trent dries away gradually.

Q. Assuming that the water lies on the land until the middle of June, I do not care whether it be on the Trent or on the Ouse, if it be cleared land, in your opinion would that be a cause of damage?—A. Oh, if it remains that long.

Q. It would be damaged?—A. Yes.

Q. Because it would prevent you from getting any crop?—A. Yes.

Q. And all you could do with it would be to raise hay?—A. And pasture.

Q. You could not even raise hay for a short time?—A. You could raise roots, I suppose.

Q. But eventually the roots would get old and it would become bound up and you would not raise much hay, would you? What would you say to that?—A. It just depends on how the water comes off it.

Q. But if the water remains on until the middle of June?—A. Oh, if it stayed that long.

Q. You would not think it would be of much value except for pasture during the latter part of the season?—A. No.

Q. Well, I suppose you are aware that these different owners whose names I have read over here as being on the Ouse, above the second lot, have claimed that they have been damaged?—A. I understand they have.

Q. And my learned friend referred to some investigation made by the department at Hastings. You know that some of those people were there, don't you?—A. I do not know.

Q. You were not there. You did not hear any of their evidence?—A. No.

Q. Do you know a man by the name of John Breckenridge the elder?—A. Yes.

Q. You know that gentleman, do you?—A. Yes.

Q. How long have you known him?—A. I have known him for over 50 years.

Q. He has been a man of prominence in the community, hasn't he?—A. Yes.

Q. He says in an affidavit he is 81 years of age. He has been justice of the peace since 1863, and has been postmaster for something like a quarter of a century. I won't say anything about his politics, although there is something in the affidavit about that. Now, this man says in his affidavit: 'I have a saw and grist mill on the river Ouse which I operate, and have operated since the year 1863; this mill being located at a point some distance further up the stream than the property owned by G. A. L. Humphries, James Warner, Thomas Davidson and others, who, I am informed, were allowed compensation by the Dominion government for damages to their lands by flooding of the waters of the Trent river.' That is, he says, this mill is further up stream than those lands. Is that true?—A. Yes, his lot is on number 9.

Q. Then he says: 'I have read from *Hansard* the declaration by Henry Humphries in connection with the claims of John Sargent, G. A. L. Humphries, C. A. M. Birdsal, Charles Fox, James Warner, John Breckenridge, jr., Thomas Davidson and M. Breckenridge. The statement made therein by the said Henry Humphries, that no damages from flooding by the waters of the River Trent actually exist to the properties owned by these gentlemen on the River Trent and River Ouse are not truthful; and the said parties have suffered damages by high water by reason of the construction of the Hastings dam on the Trent canal. The statement made by the said Henry Humphries in paragraph 6 of the said declaration, to the effect that any temporary overflow from the River Ouse that occurs in the springtime is occasioned solely by local conditions along the said stream obstructed by fallen timber, brush and the like, and is wholly without reference to the River Trent, is absolutely untrue.' Now, there seems to be a decided difference between your ideas of that country and Mr. Breckenridge's?—A. I cannot agree with him, not on that point.

Q. From your knowledge of this man do you think he would deliberately tell what he believed to be an untruth?—A. No, I would not say that; but I cannot agree with him.

## APPENDIX No. 2

Q. You and he made an agreement in writing in the form of a retainer and you had another verbal agreement which was not in the retainer?—A. No, I always understood from the first the retainer, and all that I wanted was the \$800. I thought that was due to me and that if he could get anything over and above it he could keep it.

Q. Perhaps you have not appreciated my question. The question was, there was a written retainer in which there was no mention of him getting fifteen per cent over and above the \$800, no specific mention?—A. No.

Q. But there was a private verbal arrangement that he was to get fifteen per cent over the \$800?—A. Yes.

Q. That is according to your idea?—A. Yes.

Q. Well, you did not have much trouble with Mr. Clarry?—A. I had no trouble with him at all.

Q. He tore up the retainer?—A. Yes, and I tore up mine.

Q. No hard feelings?—A. None.

Q. You do not know what took place between Mr. Clarry and Mr. Dickson as to settling your claims?—A. Nothing.

Q. Mr. Dickson says, in substance, that he went to you for the purpose of estimating those damages and you claimed that they had all been estimated by Mr. Aylesworth?—A. My own, but not the estate.

Q. That is true, is it?—A. Yes, and Mr. Dickson said he would not interfere with Mr. Aylesworth's valuation.

Q. And you had no cause at that time to fear that Mr. Clarry was in any way unfriendly?—A. No.

Q. I find in the month of September, 1909, that Mr. Clarry wrote letters to the department on your behalf. Are you aware of that?—A. No.

Q. When, as far as you know, did Mr. Clarry perform the last act with reference to your claim for damages?—A. Well, it must have been some time in July, because I was in the west in August and September, of 1909, and it was before I left.

Q. Now, I will read the letter.—A. I told him I would not have anything more to do with him, and would let it drop altogether.

*By Mr. Lennox:*

Q. The claim?—A. Yes.

*By Mr. Carvell:*

Q. I find a letter dated September 4th, 1909, addressed to the Deputy Minister at Ottawa:—'Dear Sir,—re Trent Canal, B-1194; Claimant, Henry Humphries. Your letter of 2nd instant herein was duly received. I beg to state that your letter of 20th of July last was duly received during my absence on a trip to Western Canada. I returned on the 1st of August, immediately took the matter up and wrote you on the 4th of that month, and at the same time I also wrote Mr. Humphries, stating that I had received word from the department and asked him to call at once. About ten days afterwards his son-in-law called and told me that Mr. Humphries had gone on a visit to his son in the province of Alberta and would likely be away about six weeks. In the face of this I could do nothing but let the matter stand until Mr. Humphries returned. As soon as I hear from him or see him I shall let you know. Yours truly, L. F. Clarry.' That was on 4th September. Evidently then, some time in July you must have seen Mr. Clarry about the question?—A. Before I left. It is possible they got that letter at home. I guess they did get that letter at home.

*By Mr. Lennox:*

Q. That is a letter to the department. It is one from Mr. Clarry to the department you are aware, and so you know nothing about it.



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*By Mr. Carvell:*

Q. There is reference in this letter to a letter written by Mr. Humphries, and you say that is one they got at your home?—A. Yes.

Q. You had no unfriendly relations down to July, then?—A. No.

Q. None whatever?—A. No, I do not think so.

Q. It must have been before that that Mr. Clarry reported that those 37 acres had been sold?—A. Oh, yes.

Q. A long time before that?—A. It was after that that Mr. Dickson came. I do not know who sent him. Of course he came there himself. After those 37 acres—

Q. Were reported to the department?—A. Yes.

*By Mr. Lennox:*

Q. What was after that?

Mr. CARVELL.—After Dickson came to appraise. My recollection was it was sometime in January or February.

WITNESS.—It was spring when he came. He came in a buggy, and we were cultivating the land, but I have no dates.

*By Mr. Carvell:*

Q. That would be in the month of April or May?—A. It was in the spring.

Q. And he came after the report had gone forth as to the selling of the 37 acres?—A. Yes.

Q. Now, it is true that when Dickson came there, rightly or wrongly, he claimed that eight acres of drowned or flooded land were of the 37-acre lot?—A. Not to me. I do not know what he did. He went and looked over it and went away again.

Q. Did you have a talk with him as to the result of his investigation?—A. No.

Q. Didn't he have a talk with you about the marsh land?—A. Oh, yes, he said that was marsh down there, pointing his finger to the place, and we do not pay for marsh.

Q. He says he told you there were about eight acres of this flooded or drowned land on the 37-acre lot?—A. There is not any.

Q. No, no, did he tell you that?—A. Not to my knowledge.

Q. He says that he did?—A. Not to my knowledge.

Q. However, you knew some time during the summer that the claim was made that a portion of the 37 acres was drowned or flooded land?—A. It never was.

Q. But you knew that that claim was made?—A. That the objection to my claim was that part of the 37 acres was drowned, is that what you mean?

Q. Yes.—A. Oh, yes, after it was rejected.

*By Mr. Lennox:*

Q. After Dickson had been over there?—A. Yes.

*By Mr. Carvell:*

Q. You knew that those eight acres of that 37-acre lot were drowned land?—A. Yes.

Q. You knew they took off eight acres for that and I think 20 acres for marsh land?—A. I do not know what they took off.

Q. You knew they finally got it down to 12 acres?—A. Yes.

Q. And they were willing to allow you 20 acres for it?—A. Yes.

Q. That was \$240, and you would not take it. That is the way of it?—A. That is it.

Q. Did Mr. Aylesworth personally go over the land and make the examination?—A. He did and Mr. Dickson.

Q. Had you anybody else go over and measure it?—A. No, but I have had the dry land measured.

## APPENDIX No. 2

Q. But you have not had the flooded or drowned?—A. The dry land No. 2 was measured by a man from Campbellford, who is now dead.

Q. Would it be possible to have that land thoroughly measured by some one in whom you had confidence?—A. I do not know that it would do me any good now.

Q. Do you think you are beyond the pale now?—A. I do not think I will get anything, if that is what you mean.

Q. You think you do not have a remedy to this state of affairs?—A. That is true; I do not expect ever to get anything.

Q. You have not done anything so fearful as that surely?—A. I do not know.

Q. I think you were at an Orange celebration last 12th of July?—A. No.

Q. Do you know Mr. Owen, the member for East Northumberland?—A. Yes.

Q. Did you go to him with this statement?—A. No.

Q. Did you go to my friend, Mr. Lennox?—A. No.

Q. He came to you, as I understand?—A. That is right.

Q. There was no correspondence between you and him?—A. The only place I went was to see Mr. Graham and Mr. Butler.

Q. You didn't write to Mr. Lennox?—A. No.

Q. You say Mr. Lennox came to you?—A. Yes.

Q. That is right isn't it?—A. Yes, he had dinner with me.

Q. And went to Mr. Graham's with you?—A. Yes.

Q. And got the letter. By the way, how did you happen to know that Mr. Graham had this letter?—A. I heard about it and went to see if it was true.

Q. Then you and Mr. Lennox found it?—A. I had it all the winter of 1909 and never showed it up until I came down here.

Q. You didn't draw that affidavit that was read in parliament did you?—A. No.

Q. Mr. Lennox did that too?—A. I do not know who did it.

Q. You didn't do it?—A. No.

Q. It is a fact that Mr. Lennox gave you this document all prepared?—A. No, he didn't.

Q. Who gave it to you?

Mr. LENNOX.—It was somebody acting for me.

*By Mr. Carvell:*

Q. I cannot see that you have acted so that you should not be paid for your land?—A. Well, that is my opinion, and I do not see any reason to change it at the present time.

Q. When you say that, do you think you won't get the whole \$800. Is that what you mean?—A. I do not think I will get anything.

Q. Don't you think they would give you the \$240?—A. I won't ask them for that.

Q. You won't take that?—A. I would not look at that.

Q. The whole question is whether you get the whole amount or not?—A. I think I am entitled to it. It has been on the string so long. The man came here. I did not send for him. He came to me and I spent half a day with him going over this property and after he looked over it the first time he asked me 'how much do you think you have drowned?' I said about 40 acres. He went over it again and he said, 'I do not think you are far wrong.' I never saw Mr. Aylesworth again for 14 years. I asked him for \$40 an acre at that time.

Q. Had any claim been paid to anybody prior to that?—A. Not that I know of. I could not say. There had been claims put in.

Q. Had any claims been paid so far as you know, down say to last year?—A. I understand there were some claims paid two years ago this winter.

Q. That would be a year ago this winter?—A. Mr. Clark, upon the Otonabee river.

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Q. Would that not be in the winter of 1908?—A. I think it would be. These were the two first I heard of.

Q. I think you were in error. It might have been the latter part of 1908, because the appropriation was not made by parliament until the spring of 1908. Who was Mr. Aylesworth acting for at that time?—A. Acting for the government, I expect. That is what he told me at that time. I think it is 16 years ago. I know it was in the spring of the year. It is over 15 or 16. It is a long while ago, and I never saw him again until, well, it must have been 14 years after, in Peterborough. He was settling claims at that time. I met him in Peterborough and he said, 'I am going to your place to settle with you on my way home.'

Q. Then there were claims 14 or 15 or 16 years ago, were there?—A. Oh, no, this was two or three years ago.

*By Mr. Lennox:*

Q. In this retainer there was no amount mentioned that you were to get. That is to say he did not say you were to get \$800. He didn't mention the amount at all?—A. No.

Q. You say you had a distinct bargain that fifteen per cent was to be got over and above the \$800?—A. That was the understanding.

Q. You are quite clear upon that?—A. I am quite clear upon that.

Q. And these words were added: 'If satisfactory to me.' You understood that if he carried out the bargain he would get that amount?—A. That was underlined.

Q. Some time in January or February the retainer was torn up?—A. I could not say the date.

Q. That is the time you thought?—A. I think so. It was torn up that winter, anyway.

Q. At all events after the retainer was torn up Mr. Clarry had no instructions to act for you?—A. No.

Q. Then Dickson came on some time in May or June I think you said?—A. Well, he came in a buggy.

Q. And some time after that you learned that they disputed the 8 acres?—A. The 37 acres.

Q. Part of the 37 acres?—A. Yes.

Q. Some time after he had been there in May or June you learned for the first time they were disputing about a portion of the 37 acres?—A. Yes, the first time.

Witness discharged.

P. C. GILLESPIE, called, sworn and examined:

*By Mr. Lennox:*

Q. You are a son-in-law of Mr. Henry Humphries who has just been examined?—A. Yes.

Q. And you live in the same house?—A. Yes, at present.

Q. And you were living there at the time he was out in the west?—A. Yes.

Q. I believe a letter came to the house and in consequence of that you went down and saw Mr. Clarry?—A. Yes.

Q. And you had authority from Mr. Clarry to settle?—A. From Mr. Humphries.

Q. Yes, Mr. Humphries, that if he got the \$800 you could settle?—A. Yes.

Q. When you went down you did not find that the \$800 was there?—A. No.

Q. Did Mr. Clarry make any statement to you about the conditions on which Mr. Humphries might have got his money?—A. He said he wanted the twenty per cent.

Q. Clarry told you he had wanted twenty per cent?—A. For settling his claim, and Mr. Humphries would not give him twenty per cent and he asked whether he would not give fifteen per cent. He agreed to give fifteen per cent but that after a time he said he would not give fifteen per cent and after a time he swore the agreement off.



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Q. Did he say as to the effect of that on getting a settlement?—A. He said if he had given fifteen per cent he would have had his claim settled.

*By Mr. Carvell:*

Q. Did he tell you how he would have been able to manage it?—A. No, he did not.

Q. Did he tell you that if he had given him fifteen per cent he would not have reported those 37 acres?—A. He did not say anything as regard that.

Q. No reference to it whatever?—A. We talked over several matters and he said if he had paid fifteen per cent.

Q. Did he speak of a portion of the land being sold?—A. Yes.

Q. Did he tell you he had reported this to the government?—A. Yes.

Q. That was true wasn't it?—A. What was true?

Q. That the 37 acres had been sold?—A. It was deeded, I think.

Q. That was true wasn't it?—A. Yes.

Q. Did he tell you anything he had done to prevent the claim being settled?—A. No.

Q. Did he tell you about the sale of the 37 acres?—A. He mentioned about that. I do not think I knew about that before. I do not remember hearing anything about it before that date.

Q. And he gave no reason or details as to why the claim was not paid other than that if he had given fifteen per cent he would have had it paid?—A. I did not know practically anything about those drowned lands between him and Mr. Humphries. I went in there with his authority. If I got the money I was to give him a receipt for it. I was practically ignorant. Of course, I knew enough to take the \$800 and give him a receipt for it.

Q. I was wondering if he told you that he could have the money if Mr. Humphries gave him fifteen per cent. Didn't he give some reasons?—A. No, we talked as a couple of men would talk over matters, over general business. There was considerable said in a general line.

Q. Did he find any fault with Mr. Humphries?—A. No, he did not find any fault with him.

Q. No evidence of hard feelings between them?—A. Not in the least.

Q. Simply that he had not got the money because he had not been willing to give him fifteen per cent?—A. Well, he had not got it.

Q. No, but he said that?—A. He said that if he had given him the fifteen per cent he would have had the claim settled. That is the meaning I took from him.

Q. Now this is very important and I would like to know the exact words he said?—A. I cannot just give you the exact words. It is over or almost a year, seven or eight months. I have told you as nearly as I can recollect.

Q. Did he convey to your mind the meaning that the amount would have been paid in full?—A. I would not say for that. He might have understood the \$800 minus the fifteen per cent or he might have meant the \$800 plus the fifteen per cent.

Q. And might he have meant the \$800 entirely?—A. I do not know that.

Q. Did he leave the impression on your mind that the \$800 would have been paid if he had left it in his hands?—A. I would not say the \$800. I say the claim. That is what he spoke of.

*By Mr. Lennox:*

Q. He said that if he had been willing to pay fifteen per cent he would have had his claim settled?—A. Yes, his claim.

Witness discharged.

The committee adjourned until Friday, April 14, at 3 p.m.

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HOUSE OF COMMONS,  
Committee Room No. 32,  
Friday, April 14, 1910.

The Public Accounts Committee met at 3 p.m., Mr. Warburton presiding, and proceeded to the further consideration of a payment of \$6,146 to persons in Asphodel township in connection with the flooding of land as set out at W—22; a payment of \$389 to parties in the township of Percy as set out at W—23, and a payment of \$150 to Fowlds Company, Hastings village, as set out at W—23, report of Auditor General, 1909.

THOMAS J. MORRIS, called, sworn and examined:

By Mr. Lennox:

Q. What position do you occupy in the Department of Justice?—A. I am keeper of the records, docket keeper.

Q. I produce a statement here of claims from your office?—A. Yes, I recognize that.

Q. We went over it this morning together?—A. Yes, this afternoon.

Q. It is headed, *re* L. F. Clarry, barrister, Hastings, Ontario. *Re* Trent canal claim. 'The following are the amounts due the agent for services rendered, as taxed by this department.' And it sets out the dates on which instructions were given in each case by the Department of Justice to Mr. Clarry?—A. It does.

Q. And some other particulars, the names of the parties and the amounts:—

RE L. F. CLARRY, BARRISTER, HASTINGS, ONTARIO, AND TRENT  
CANAL CLAIMS.

The following are the amounts due to agent for services rendered as taxed by this Department:—

Date of Instructions.	Docket No.	Claimant.	Amount.
1900			\$ cts.
January 29.....	B. 1191.....	B. F. Lynch.....	50 57
" 29.....	B. 1194.....	M. F. Lynch.....	
February 5.....	B. 1195.....	A. A. Humphries.....	53 38
" 5.....	B. 1196.....	J. A. Warner.....	25 86
" 5.....	B. 1197.....	G. A. L. Humphries.....	29 87
" 10.....	B. 1216.....	John Sargent.....	24 48
March 25.....	B. 1273.....	James C. Dickey.....	31 01
" 25.....	B. 1274.....	P. Crowley.....	28 55
" 25.....	B. 1275.....	John C. Lynch.....	24 98
" 25.....	B. 1276.....	Peter Brady.....	27 71
" 25.....	B. 1277.....	F. McGuire.....	25 72
" 25.....	B. 1278.....	Thomas Williamson.....	25 70
" 25.....	B. 1294.....	J. J. Breckenridge.....	28 09
April 5.....	B. 1331.....	Pat. English.....	24 31
" 20.....	B. 1363.....	Charles Fox.....	*27 41
" 20.....	B. 1364.....	Matt. Breckenridge.....	23 15
May 3.....	B. 1379.....	Fowlds Co. Limited.....	29 79
July 20.....	B. 1546.....	Thos. Davidson.....	26 10
March 25.....	R. 1547.....	Jno. Breckenridge.....	26 04
July 23.....	B. 1548.....	A. M. Cameron.....	38 83
			25 57
			597 12
In the following case agent was paid—			
April 20.....	B. 1362.....	Mrs. Mary E. Scriver.....	24 39
			621 51

\* Two accounts herein.

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No accounts have been taxed by this department for service rendered to any other department.

MORRIS,

*Docket Keeper,*

16th March, 1910.

*By Mr. Lennox:*

Q. These dates are the dates on which instructions were given in the various cases therein mentioned?—A. They are correct.

Q. Now, I want to get some particulars from you about some claims. Take M. F. Lynch's claim. When was that reported? When did Mr. Clarry send in his report on title on that?—A. He sent his report on title on 26th February, 1909. There was prior correspondence though.

Q. On the 1st March I will read this letter. On 1st March you wrote the secretary of the Department of Railways and Canals, Ottawa—'B. 1191. Trent Canal. Sir,—I have the honour to state that I have received a report upon title from our agent Mr. L. F. Clarry, barrister from which it appears that the title is satisfactory. Will you therefore be good enough to send me a cheque for the compensation payable to the claimant and our agent? I have the honour to be, sir, your obedient servant.'—A. That is right.

Q. Now the next one is A. A. Humphries?—A. I have that before me.

Q. Have you a similar letter to the Department of Railways and Canals to the one I have just read, that the title is reported by Mr. Clarry to the Department of Justice. I understand that the Department of Justice sends always reports to the Railways and Canals branch?—A. Always reports, yes.

Q. Have you a letter there, either inclosing Mr. Clarry's letter or referring to Mr. Clarry's letter from your department to the Department of Railways and Canals?—A. This is a letter to the Department of Railways and Canals, somewhat repeating Mr. Clarry's letter.

Q. What is the date?—A. 12th February.

Q. Read it please?—A. '12th February. Referring to your letter of the 3rd instant, file No. 7497, I have the honour to state that I have received a report from our agent, Mr. L. F. Clarry, barrister, Hastings, Ontario, from which it appears that the claimant contends that the settlement with him is to be based on the water reaching the height of the summer level of 1908.'

Q. Setting out points in reference to the title?—A. Yes, as to the water level.

Mr. CARVELL.—Is there a contention as to the title?

Mr. LENNOX.—Merely to get the dates and what they did.

*By Mr. Carvell:*

Q. What does the latter contain?—A. The letters asks if he will be allowed damages covering high water level in 1908 or the low water level. I will read it: 'He states that if the water is maintained at the high water mark of 1908 some of the land in question will be absolutely useless and the acreage drowned will be greater. Our agent therefore asks for instructions as to whether the settlement is to cover damages due to the water at the summer level or high water level of 1908. Will you kindly let me have your instructions as to this.'

*By Mr. Lennox:*

Q. Is there a letter from the Railway Department with reference to that?—A. Yes, there is, acknowledging that letter, repeating our letter and adding: 'In reply I have to request you to be pleased to return the papers in the case to the department in order that the matter may receive attention.'

Q. It is a mere formal letter. Did you send a letter on 29th March to the Department of Railways and Canals?—A. Yes, sir. 'I have the honour to inclose herewith a copy of a report, dated 25th instant, received from our agent, Mr. L. F.



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Clarry, barrister, from which it appears that the title is satisfactory. Be good enough to send me a cheque for the amount of the compensation payable to the claimant and our agent.'

Q. You say you sent a copy of the report. What is that report that is immediately before that letter?—A. This is Jones' letter: 'I beg to report that I have investigated the title of Mr. Adam A. Humphries to Lot A, concession 1; the west part of Lot 1, concession 2, and Lot A, concession 2, all in the township of Asphodel. This is the property inspected by Mr. Dickson and to which Mr. Humphries claims damages by reason of the flooding of the waters of the Trent canal. I find that Mr. Humphries' title to this property is all right, and will ask you to send him his cheque, which I shall not deliver until Mr. Humphries and his wife have executed a proper release.'

Q. Then I notice in that instance you did not send a copy of Mr. Clarry's letter, but in this instance you did send a copy of Mr. Clarry's letter?—A. Yes.

Q. Now take Mr. Warner? In this case, the title was all right. You sent a copy notwithstanding the title was perfect?—A. The title was perfect. It was a question of the water level.

Q. But in that second letter the title seems to be satisfactory. Now, as to Mr. Warner, you can look over the letter of 1st March?—A. To L. F. Clarry.

Q. Take 1st March to the Railway Department?—A. Yes.

Q. Is that a short letter?—A. Yes, sir (reads): 'I have the honour to request you to send me a cheque for the amount of the compensation payable to the claimant and our agent, Mr. L. F. Clarry, barrister, Hastings, Ontario.'

Q. He does not say anything about a report there?—A. No.

Mr. CARVELL.—Would there not be a report prior to that?

Mr. LENNOX.—In this instance they do not seem to have sent a report to the Railways and Canals Department.

Mr. CARVELL.—Probably not, if there was no question about it.

Mr. LENNOX.—There are two or three cases in which they have not sent them.

*By Mr. Carvell:*

Q. I suppose there is a report from Mr. Clarry?—A. He says in the third line, 'Claimant has a perfect title to the land to which he claims damages.'

*By Mr. Lennox:*

Q. They are reporting that Mr. Clarry had reported and are asking for a cheque?—A. Yes.

Q. But in that case you did not think it necessary to send a copy of the report but in matters of that kind there is a copy of the report?—A. Above this is the number B. 1196.

Q. Now, G. A. L. Humphries. There is a letter from Mr. Clarry on 27th February?—A. Yes, sir.

Q. That is reporting on title?—A. Yes.

*By Mr. Carvell:*

Q. Is the title correct?—A. Except that there is a mortgage on the property his title is all right.

*By Mr. Lennox:*

Q. Now, see if he reported to the Railways and Canals Department on the 2nd March?—A. Yes, sir.

Q. What does he say there?—A. He says, 'I have the honour to state that I have received a report from our agent upon the title which is satisfactory. Will you therefore be good enough to send me a cheque for the compensation payable to the claimant and our agent Mr. L. F. Clarry, barrister?'

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Q. Did you mention what it is?—A. 'Compensation to the claimant and our agent, Mr. L. F. Clarry.'

Q. That is one of the cases in which they do not appear to have sent a copy. Now, the next one is John Sargent. Look over the letter on 9th March and see if it is a report on title?—A. There is a report on title on 6th March. It says the same is all right.

Q. Now look over the letter of 9th March when you report that?—A. To the Railways and Canals?

Q. Railways and Canals, 9th March. What does he say?—A. He says, 'I have the honour to request you to send me a cheque for the amount of the compensation payable to the claimant and our agent Mr. L. F. Clarry, barrister.'

Q. Now, take James C. Dickey. There is a letter from Clarry, 13th May, and also a letter of the 15th May?—A. Letter from Clarry on 13th May.

Q. That is with reference to title, is it?—A. It has a reference to title.

Q. You had better read it?—A. (Reading):—

Mr. Dickson, the appraiser, herein was here yesterday and to-day straightening out some matters about which I wrote you some time ago. In searching the title of this man's property I discovered a misdescription and pointed the matter out to Mr. Dickson yesterday. He visited the property to-day and I understand had the land correctly described and took a new offer of settlement which will greatly expedite the matter.

Q. That is a letter of 13th May from Mr. Clarry to the Department of Justice?—A. Yes.

Q. Now, take the letter of 15th May?—A. This is 15th May.

Q. Is that as to title or is it that as to some investigation?—A. (Reading):

Adverting further to this matter about which I wrote you on the 13th instant, I beg to say that I received a letter from the superintendent of the Trent canal this morning in which he advises me to report to you direct just how matters stand. Mr. Dickey's offer of settlement refers to lot Nos. 6 and 8 in the 11th concession of the Township of Percy. In investigating his title I found that he owns lot No. 6 and a part of lot No. 8 in the 11th concession. I think if the land were described as the north part of lot No. 8, in the 11th concession it would be sufficient. I therefore return you the papers and will ask you to give the matter your attention.

Q. Now did you communicate with the Department of Railways and Canals?—A. Yes, sir, on the day following or two days following.

Q. What date?—A. On the 18th May. (Reading):

Referring to previous correspondence I have the honour to inclose a report dated 15th inst., from our agent for your consideration. I shall be glad to receive any instructions that you may think proper to give in the matter. I return the file of your department in order that you may consider the claim in connection with the report.

Q. You inclosed the report in that case?—A. Yes.

Q. Take Mr. P. Crowley?—A. Yes.

Q. There is a letter on title 23rd April?—A. Yes, sir.

Q. What did he do with that? It is a letter reporting on title on 23rd April reporting on title by Mr. Clarry. Did you send that on or report it to the department or what did you do with it? You probably have a reply from Mr. Jones. What is that reply? Read that reply from Mr. Jones. What is the date?—A. Mr. Jones' letter is dated 22nd May.

Q. To the Department of Justice?—A. Yes.

Q. Now read that?—A. That is repeating the first part of Jones' letter and then it says:

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In reply I have to say that on inquiry it is learned that through inadvertence Mr. Crowley was described as the owner of the whole of lot No. 3 in the 5th concession of the township of Asphodel and that he is the owner of E half of the said lot only; that the compensation moneys, namely \$320, however, that have been awarded appertain to that lot and that consequently the release to be obtained from him should be in respect of damages to the E. half of such lot accordingly and not to the entire lot. I inclose the papers and have to request that you will be pleased to have the necessary deed of release obtained in the premises accordingly.

Q. I want to see if the report went into the Department of Railways and Canals. Is there anything to show that?—A. Yes.

I have the honour to acknowledge receipt of your communication of 1st inst., B. 1274 in the above matter.

Q. Being what?—A. (Reading):

In which you transmit a report from your agent at Hastings, Mr. L. F. Clarry.

Q. Then it appears from that letter from Mr. Jones that you had duly sent in Mr. Clarry's report to the Department of Justice?—A. Yes.

Mr. CARVELL.—Is there any way in which we can shorten this up?

Mr. LENNOX.—It won't be very long.

Mr. CARVELL.—There is no question that Mr. Clarry searched those titles and on the dates.

*By Mr. Lennox:*

Q. Now there is John C. Lynch. Look at letter to the Department of Railways and Canals on 7th June?—A. Yes.

Q. Read it.—A. (Reading): 'I have the honour to inclose herewith a copy of a report dated 3rd inst. received from our agent Mr. L. F. Clarry, barrister, and I am to request you to send me a cheque for the amount of the compensation payable to the claimant and our agent.'

Q. Now get Peter Brady, 24th April?—A. To Railways and Canals?

Q. Yes.—A. Yes, here it is: 'I have the honour to inclose herewith report on title received from our agent Mr. L. F. Clarry, barrister, and I am to request you to send me a cheque for compensation payable to the claimant and our agent.'

Q. Then T. McGuire?—A. Francis McGuire?

Q. Yes, it is.—A. Which one?

Q. I do not know the date. You will see your letter to the Department of Railways and Canals?—A. On 11th August we wrote to the Department of Railways and Canals.

Q. Did you send the report?—A. Yes. It is just similar to the others.

Q. There is a letter on the date you mention sending Mr. Clarry's report?—A. Yes.

Q. Now Thomas Williamson. In that case you sent in a report on 24th April, I think. Clarry's report to the Department of Railways and Canals?—A. Yes, an identical letter to that I have read.

Q. In the case of Pat English, on 24th April you sent Clarry's report?—A. A similar letter, yes.

Q. In the case of Charles Fox. Look at 30th April. Did you send Mr. Clarry's report on title to the Department of Railways and Canals on 30th April in that case?—A. Yes, sir, and asked that Department to consider the report.

Q. Then there is a letter from the Railway Department on 15th May?—A. Yes, sir.

Q. Saying they had Mr. Clarry's report?—A. Yes, sir.



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Q. Then in the case of Matthew Breckenridge, I do not know the date, but I think there is a letter to the Railway Department in that case inclosing the report?—A. Inclosing the report and asking for a cheque in the same way.

Q. What date was that?—A. 29th June.

Q. Now, Fowlds & Company. When was that report sent in? On 3rd June he reports the title perfect. Then did you send that to the Department?—A. On 18th May we sent the report to the Railways and Canals Department.

Q. I think there were two. There is on 3rd June a report?—A. From the agent on 3rd June and he 'finds the same perfect.'

Q. Did you send that report to the Department of Railways and Canals?—A. No, but we sent a prior report.

Q. You sent a report on 15th May?—A. On 18th May.

Q. On 18th May you sent a report on the title from Mr. Clarry?—A. Yes.

Q. Next, Thomas Davidson. When did you send the report in that case or did you send it?—A. We sent a report on 28th August.

Q. Now, John Breckenridge. There are two John Breckenridges. Mr. Clarry reported on 3rd June. Have you looked at the letter of 3rd June?—A. 3rd June, yes.

Q. And did you send that report to the Railway Department on the 9th June. (Reading):

Referring to my letter, 24th April last, asking for a cheque in payment of the compensation I have the honour to inclose a letter dated 3rd inst., just received from our agent.

You sent in that letter from Mr. Clarry to the Railways and Canals Department on 9th June?—A. Yes.

Q. Now, A. M. Cameron. Look at the letter of 19th August from Mr. Clarry inclosing title?—A. Yes.

Q. Then you have a letter from Mr. Jones on 20th August acknowledging Clarry's report. You have not any intermediate letters?—A. On 24th August.

Q. Now read that letter from Mr. Jones.—A. (Reading):

I have the honour to acknowledge receipt of your communication of the 20th inst. (B. 1548) in the above matter with which you transmit a report from the agent to the Honourable the Minister of your department having charge of the case, Mr. L. F. Clarry, barrister, from which it appears that the property which has been damaged is not described in the agreement that has been obtained from Mr. Cameron in settlement of his claim; you ask for further instructions. In reply I have to request you to be pleased to return the papers in the case to the department in order that the matter may receive attention.

Q. What is the date of that?—A. 24th August.

Q. Look for the letter of 28th August, another report from Mr. Clarry. Was that sent to the Railways and Canals Department?—A. Yes. (Reading) 'Referring to your letter of the 24th inst. I have the honour to return the file as requested and to inclose our agent's report referring to description of the lands in question.'

Q. What date is that?—A. 30th August.

Q. Then there is Mary Scriver. 23rd April is the date of the report; is that correct?—A. 23rd April; yes, the report.

Q. Was that sent to the Department of Railways and Canals on 1st May?—A. 1st May.

Q. You seem to have a few more. You have another John Breckenridge. Tell me when that was reported, when the title was reported on?—A. On 27th August.

Q. Is that in any way distinguishing that John Breckenridge?—A. By his docket number.

Q. It does not say junior?—A. No, sir.

Q. There is a difference in the amount, I know. Anyhow he reports on that title on—A. 27th August.

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Q. And you reported to the department?—A. We enclosed a copy of that report.

Q. On what date?—A. On the 28th August, asking for the cheque payable to the claimant and our agent.

Q. What is the next?—A. Henry Humphries.

Q. That one didn't go through?—A. That one has not gone through.

Mr. LENNOX.—That is all I have to ask, but I wish to move, Mr. Chairman, that the proceedings *re* Clarry in connection with the lands in these townships be reported to the House.

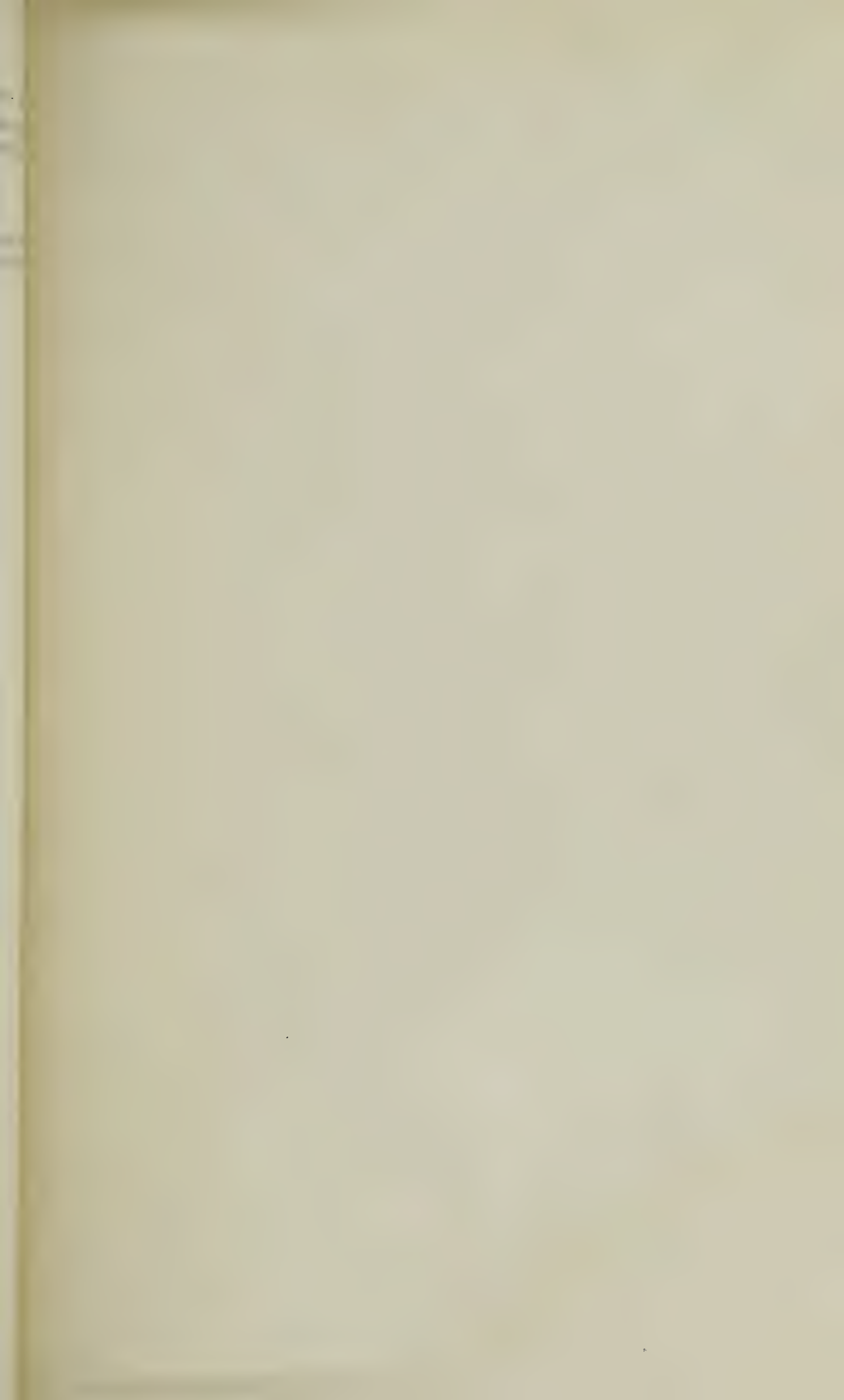
The CHAIRMAN.—Then it is all closed now?

Mr. LENNOX.—Yes.

Motion agreed to.

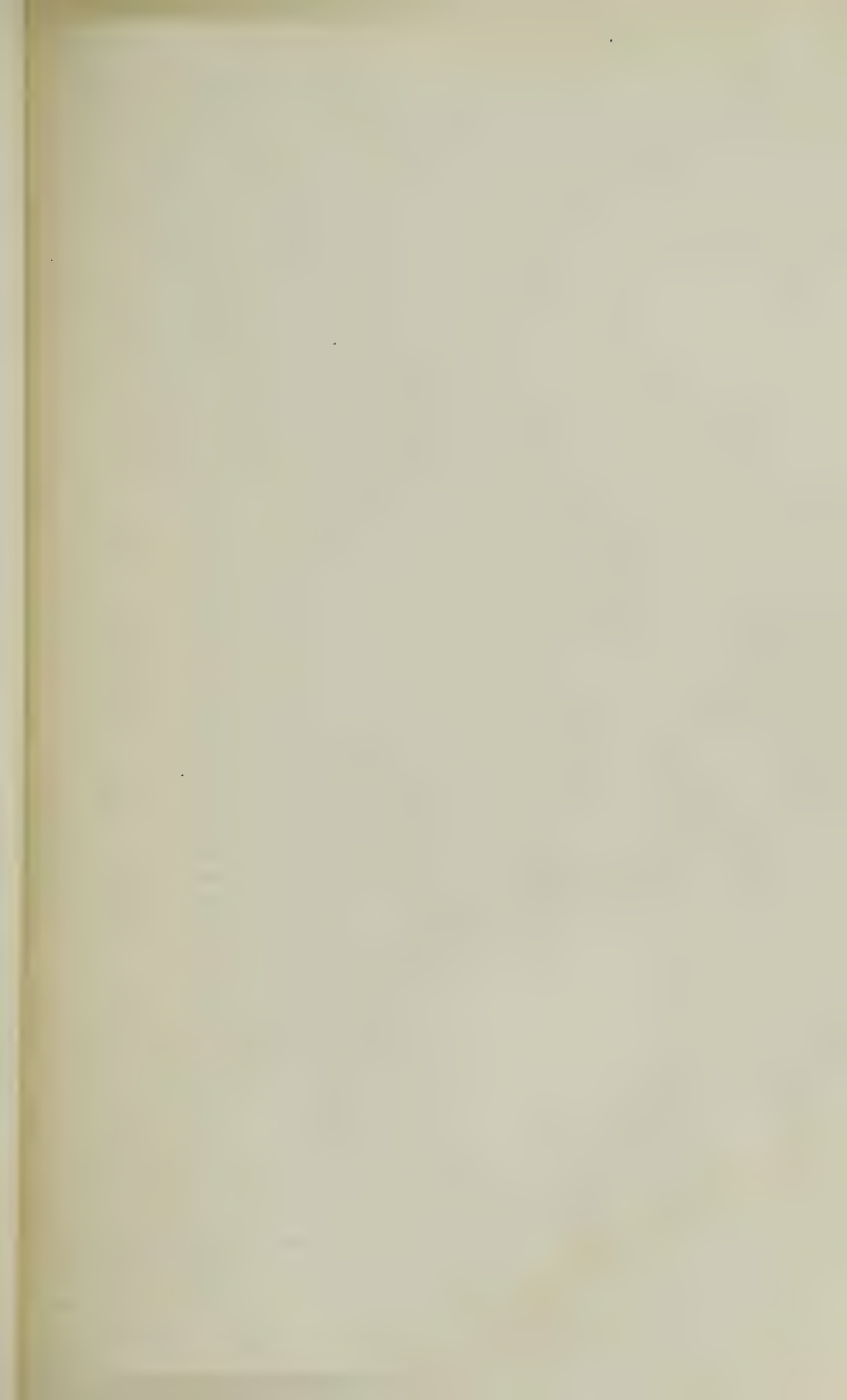
Witness discharged.

The committee adjourned.







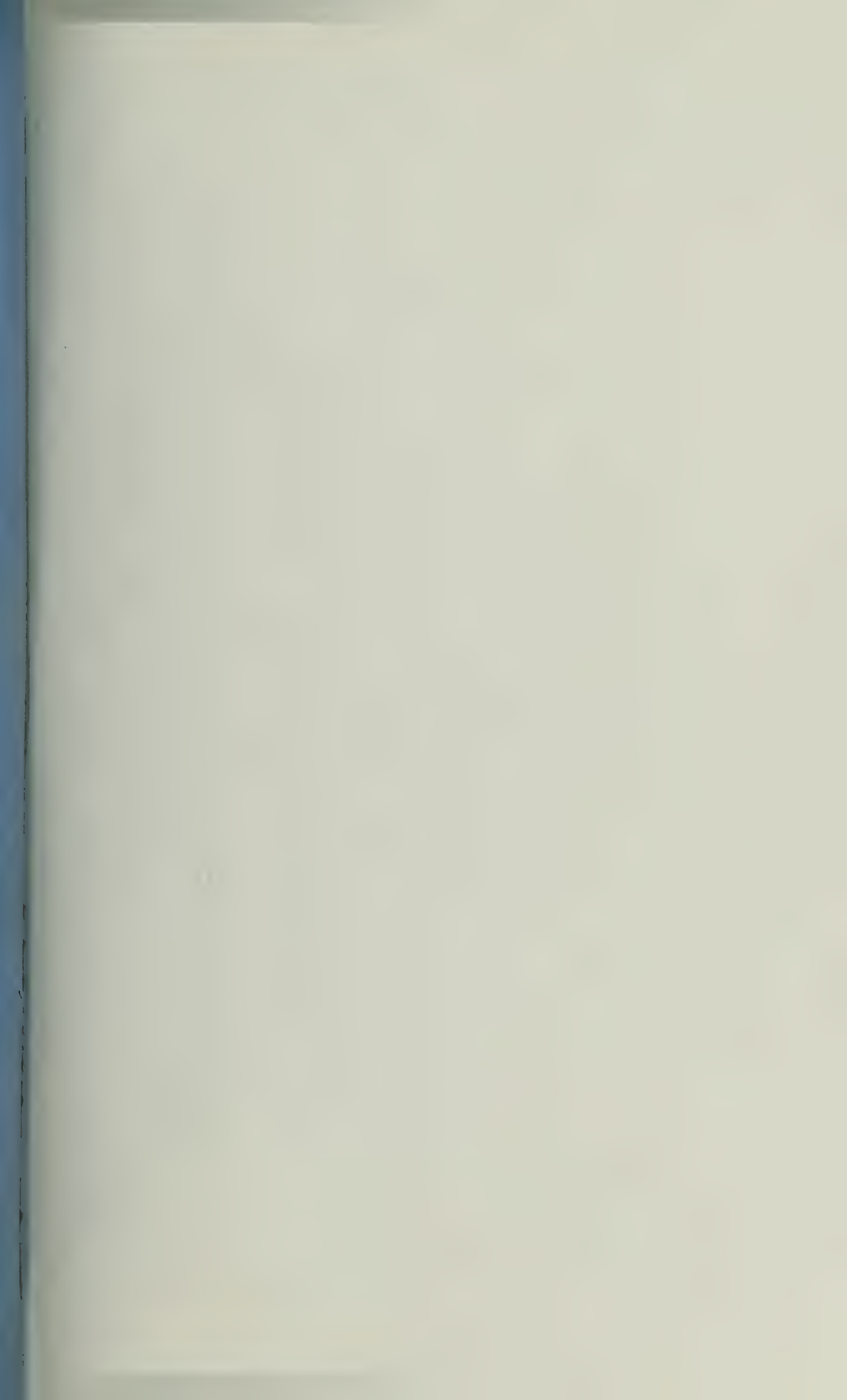












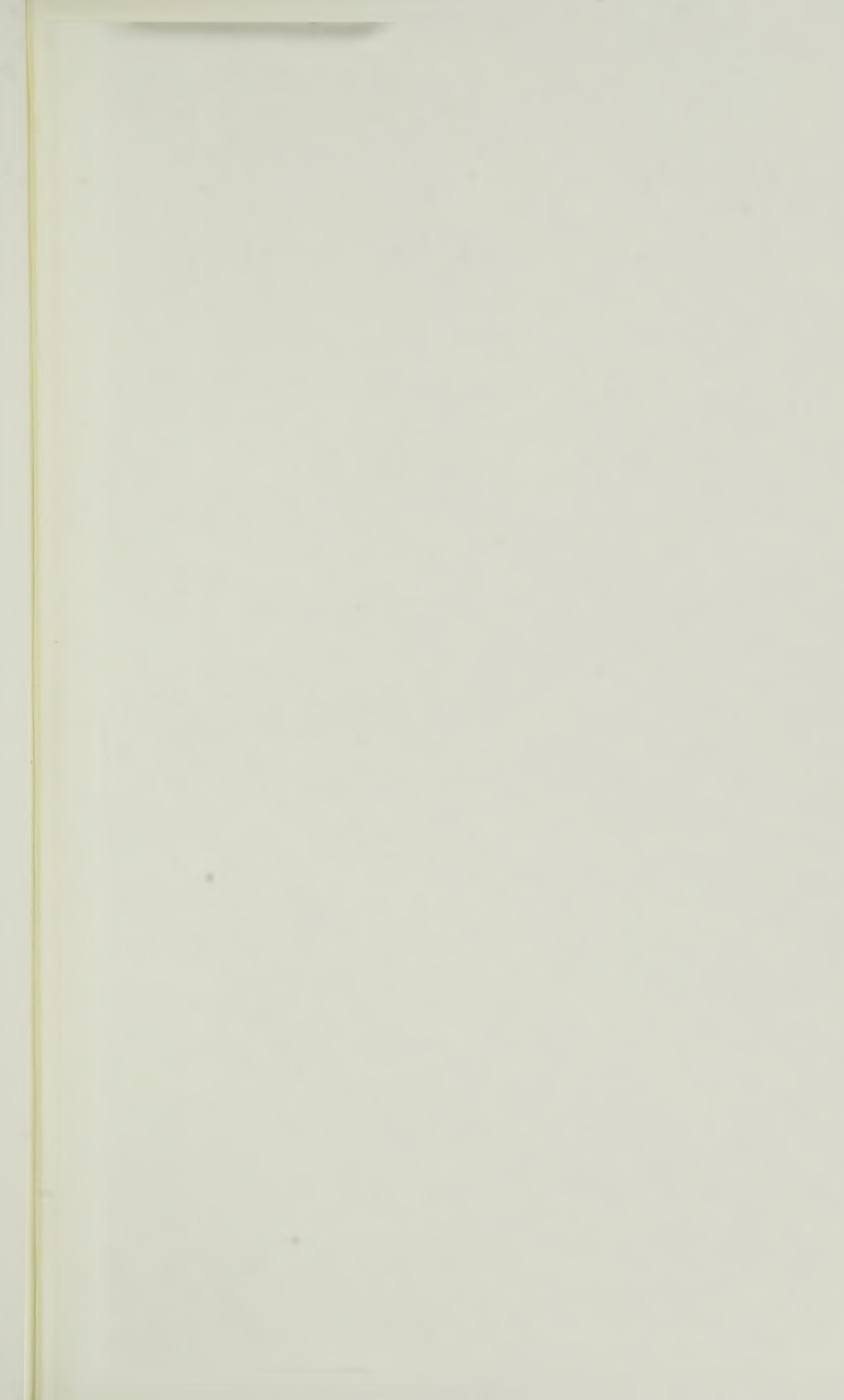
















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